IGI FINEX SECURITIES LIMITED
ANNUAL REPORT 2025

CONTENTS

IGI Securities
SERVING YOU SINCE 1994
30 years

NOTICE OF 32ND ANNUAL GENERAL MEETING

Notice is hereby given that that 32nd Annual General Meeting of IGI Finex Securities Limited will be held on Friday, April 24, 2026 at 09:30 a.m. at 7th floor, The Forum, Block-9, Clifton, Karachi to transact the following business:

ORDINARY BUSINESS:

1. To confirm the minutes of the Annual General Meeting held on Tuesday April 15, 2025.

2. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended December 31, 2024 together with Director's Report and Auditor's Report thereon.

3. To reappoint Company's auditors for the year ending December 31, 2026 and to fix their remuneration. M/s. A.F. Ferguson & Co. Chartered Accountants have offered their services to act as auditors of the Company.

4. To consider and approve final cash dividend pertaining to Preference Shareholders at the rate of (Rs.0.30/ per preference share) amounting to Rs. 14,550,000/- for the year ended December 31, 2025 as recommended by the Board of Directors.

OTHER BUSINESS:

5. To transact any other business with the permission of the Chair.

Karachi:
April 03, 2026

By Order of the Board

Ahsan

Company Secretary

IGI 30 years

Securities

SERVING YOU SINCE 1994

Directors' Report

The Directors of IGI Finex Securities Limited are pleased to present their report together with the Annual Audited Financial Statements for the year ended December 31, 2025.

Market Review

The benchmark KSE100 index gained 58,927 points during the year ending December 31, 2025 to reach 174,054 index level, translating in to a positive return of 51.2%, and compared to increase of 52,676 points (84.3%) during last year.

During CY25, Pakistan's macroeconomic landscape witnessed considerable improvement, mainly underpinned by progress on external financing, easing inflation and stabilizing macroeconomic indicators, despite periodic domestic and global pressures. In 1QCY25, Pakistan reached staff-level agreements on the first review with the IMF for Extended Fund Facility (EFF) and Resilience and Sustainability Facility (RSF) programs. Moreover, inflation also dropped to its lowest level in over five decades while the World Bank also approved a long term loan of USD 20bn to support economic growth and climate resilience. In 2QCY25, some external risks emerged following US tariff announcements and regional geopolitical tensions, though these pressures eased after Pakistan finalized trade and investment commitments with the U.S. Tensions in the Middle East (India-Pak and Iran-Israel) also led to a brief spike in global oil prices which were soon stabilized after mediation from U.S. In 3QCY25, the FY26 budget set a target of ~4.2%, outlining the fiscal framework ahead. Domestic challenges emerged as severe monsoon flooding disrupted agricultural output and logistics, posing near-term risks to inflation and growth. In 4QCY25, continued engagement with the IMF resulted in a staff level agreement for 2nd review under the EFF and 1st under RSF, strengthening investor confidence. During the year, the PKR remained broadly stable, supported by inflows from multilateral and bilateral partners and higher remittances, while inflation also stayed in single digits.

During 1QCY25, SBP slashed interest rates by 100bps in it Jan-25 MPC meeting while kept it unchanged in the 2nd MPC held in Mar-25 as lower headline inflation was offset by persistent core inflation, external account pressures and the need to maintain positive real rate on a forward looking basis. However, during 2QCY25, SBP further slashed interest rates by 100bps to 11% in its meeting held in May-25 whereas kept it unchanged in Jun-25 meeting as external sector risks persisted. During 3QCY25, SBP held 2 Monetary Policy Committee (MPC) meetings and maintained interest rate at 11% even though inflation stayed moderate, but flood-related supply shocks deteriorated near-term inflation and external account outlook which warranted a cautious monetary policy stance. During 4QCY25, after keeping the interest rate unchanged at 11% in its Oct-25 MPC meeting, SBP slashed interest rates by 50bps to 10.5% in its Dec-25 meeting to support growth as inflation remained within the target range.

On economic front, PKR appreciated by 0.6% during the period ended December 31, 2025 to close at PKR 280.1/USD. SBP's foreign exchange reserves increased from USD 11.73bn at the end of December 31, 2024 to USD 15.92bn at the end of Dec-2025, mainly due to inflows from IMF and Current Account Surplus despite substantial debt repayments. Inflation increased to 5.6% in Dec-25 from 4.1% in Dec-24 whereas average inflation for 1HFY26 is down to 5.2% compared to 7.2% in the same period last year. Current Account balance during the FY25 stood at a surplus of 1.9bn compared to deficit of 2.1bn during FY24. During 5MFY26, the current account balance stands at deficit of USD 0.8bn as compared to a surplus of USD 0.5bn in the same period last year due to a widening trade deficit and slower growth in remittances compared to last year.

IGI Finex Securities Limited
Trading Rights Entitlement Certificate (TREC) Holder of Pakistan Stock Exchange Limited Corporate member of Pakistan Mercantile Exchange Limited (BRC-020)

Email: info@igi.com.pk
Website: www.igisecurities.com.pk

Head Office
Suite No. 701-713, 7th Floor, The Forum, G-20, Khayaban-e-Jami, Block-09, Clifton, Karachi-75600
UAN: (+92-21) 111-444-001, 111-234-234

Lahore Office
Shop No. G-009, Ground Floor, Packages Mall, Lahore
Tel: (+92-42) 38303560-9

Islamabad Office
3rd Floor, 85 East, Kamran Center, Jinnah Avenue, F-7 G-7, Blue Area, Islamabad
Tel: (+92-51) 2604861-2, 2604864, 2273439

Faisalabad Office
Office No. 2, 5 & 8, Ground Floor, The Regency International 949, The Mall, Faisalabad
Tel: (+92-41) 2540843-45

Rahim Yar Khan Office
Basement of Khalid Market, Building # 12 Town Hall Road, Rahim Yar Khan
Tel: (+92-68) 5871652-53

Multan Office
Mezzanine Floor, Abdali Tower, Abdali Road, Multan
Tel: (+92-61) 4512003, 4571183

Market average volumes during the year ended December 31, 2025, increased to 796mn shares compared to 567mn shares traded last year. Total average daily traded value stood at PKR 35.8bn during the year ended December 31, 2025, up by +62%y/y, compared to PKR 22.2bn in the same period last year. Foreign investors were net sellers during the year. Cumulative net sell recorded during the year under review was USD 366.6mn. Sector wise, all the sectors recorded a cumulative net outflow with major outflows recorded in Commercial Banks, Oil and Gas exploration, Fertilizer, Food and Power in the amount USD 287.9mn. On the local front Mutual Funds, Banks/DFIs, Insurance Companies, Brokers and other organizations poured in nearly USD 1,490mn worth of liquidity, while Companies, Individuals, and NBFCs, cumulatively sold USD 1,856mn.

FINANCIAL HIGHLIGHTS FOR THE YEAR ENDED DECEMBER 31, 2025

	Year ended December 31		%
	2025	2024	
	Rupees in thousand		
Total operating income	800,447,097	663,431,320	21%
Cost of services	(319,960,690)	(288,454,507)	11%
Gross profit	**480,486,407**	**374,976,813**	28%
Administrative and general expenses	(156,484,165)	(89,381,558)	75%
Financial charges	(11,758,974)	(2,494,658)	371%
Profit for the year before levy and taxation	**312,243,268**	**283,100,597**	10%
Levy	(7,812,763)	(980,217)	697%
Profit for the year before taxation	**304,430,505**	**282,120,380**	8%
Taxation	624,327	(52,469,628)	-101%
Profit for the year	**305,054,832**	**229,650,752**	33%
Earnings per share - basic	5.866	4.416	33%
Earnings per share - diluted	3.035	2.285	33%

During the year ended December 31, 2025 operating revenue showed Increase of 21% and amounted to Rs. 800mn. Administrative and operating expenses witnessed increase of 75% as compared to corresponding period. Profit after tax of Rs. 305mn was recorded during the period as compared to Rs. 230mn in the corresponding period. Brokrage operations posted a total revenue of Rs. 561 million in FY25, which is 60% higher when compared with FY24. During the year, donation amounting to Rs. 4.593mn (2024: Rs. 6.138mn) paid to Packages Foundation (a Related Party). None of the directors or their spouse have any interest in the Pakages Foundation. We made conscious efforts to increase our market share through higher penetration in the growing retail and online market.

Risk Management

Risks are unavoidable in our business and include liquidity, market, credit, operational, legal, regulatory, and reputational risks. The Company'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.

Internal Control

The internal control framework has been effectively implemented through an Internal Audit Firm (EY) for Internal Audit function which is independent of the External Audit function. The Company's system of internal control is sound in design and has been continually evaluated for effectiveness and adequacy. The Audit Committee has ensured the achievement of operational, compliance, risk management, financial reporting and control objectives, safeguarding of the assets of the Company and the shareholders' wealth at all levels within the Company.

The Internal Audit function has carried out its duties under the Audit Plan defined by the Board Audit Committee. The Audit Committee has reviewed material Internal Audit findings, taking appropriate action or bringing the matters to the Board's attention where required. Coordination between the External and Internal Auditors was facilitated to ensure efficiency and contribution to the Company's objectives, including a reliable financial reporting system and compliance with laws and regulations.

Board of Directors

The following directors were elected on February 07, 2023 in accordance with section 159 of the Companies Act, 2017 for a term of 3 years commencing from February 07, 2023:

1. Syed Abdul Wahab Mehdi (Chairman) *
2. Iqra Sajjad (Non-Executive Director)**
3. Syed Raza Hussain Rizvi (CEO / Executive Director)***
4. Faisal Jawed Khan (Director)****

The remuneration paid to the CEO and Directors is disclosed in the note 31 of the Financial Statements.

* *Re-elected as Non- Executive Director / Chairman in the elections held on February 07, 2026*
** *Re-elected as Non Executive Director in the elections held on February 07, 2026*
*** *Re-elected / reappointed as Executive Director / CEO in the elections held on February 07, 2026*
**** *Resigned as Executive Director on July 11, 2025*

Outlook

Pakistan's external position remains largely manageable, supported by higher remittances as imports continue to grow in line with pick up in economic activity while export growth remains subdued. Continuation of the IMF program is critical to maintaining macroeconomic stability while the ongoing structural reforms under the current IMF program are expected to promote growth and gradually strengthen GDP. Inflation is expected to remain within the SBP's target range of 5-7%, providing scope for a supportive monetary policy which would also corporate profitability. Recent US-Iran war escalation and Pak-Afghan war if prolonged may expose Pakistan to external slippages and pressure on inflation and PKR. However, in our chances of a prolonged war remain low as of now and a deal is likely to be reached in coming weeks. Besides war uncertainty impacts, market fundamentals remain intact and going forward economic stability and improved liquidity, coupled with relatively attractive equity valuations is likely to support continued positive momentum in stock market.

Pattern of Shareholding

The pattern of Shareholding of the Company as of December 31, 2025, along with pattern of shareholding of certain classes of shareholders whose disclosure is required under the reporting framework are shown in the shareholding section of this report.

Auditors

The present auditors M/s. A.F. Fergusons & Co. (Chartered Accountants) being eligible, have provided their consent for appointment at the annual general meeting. The Audit Committee has recommended the appointment of M/s. A.F. Ferguson & Co. as Statutory Auditors of the company for the year ending December 31, 2026. The Board has endorsed this recommendation.

Appropriation and Dividend

The Company's profit after tax for the year ended December 31, 2025 stood at Rs 305.054 million compared to profit of Rs 229.650 million last year. The Board of Directors has recommended Rs. 14.550 million dividend on preference shares subject to approval of shareholders in the Annual General Meeting.

COMPANY'S STAFF AND CLIENTS

We would like to record our appreciation for continued patronage of our valuable clients and sustained efforts of our employees.

March 12, 2026

Chairman

Chief Executive Officer

IGI Finex Securities Limited

Key Financial Highlights

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
ASSETS										
Non-current assets	304,512,220	186,505,628	150,392,024	138,077,266	133,860,731	143,208,696	134,518,243	131,907,560	177,518,295	201,788,872
Current assets	2,464,687,106	2,556,937,949	3,552,686,393	733,391,311	1,182,899,904	1,011,275,624	721,934,370	503,330,742	933,306,112	469,996,020
Total Assets	**2,769,199,326**	**2,743,443,577**	**3,703,078,417**	**871,468,577**	**1,316,760,635**	**1,154,484,320**	**856,452,613**	**635,238,302**	**1,110,824,407**	**671,784,892**
EQUITY AND LIABILITIES										
Share Capital and reserves	1,182,592,783	867,141,483	628,517,863	327,332,617	327,761,735	316,371,391	276,752,168	265,430,056	443,218,391	318,704,640
Non-current liabilities	18,156,479	4,308,592	6,918,267	34,266,806	21,416,625	15,756,292	538,470	-	-	-
Current liabilities	1,568,450,064	1,871,993,502	3,067,642,287	509,869,154	967,582,275	822,356,637	579,161,975	369,808,246	667,606,016	353,080,252
Total Equity and Liabilities	**2,769,199,326**	**2,743,443,577**	**3,703,078,417**	**871,468,577**	**1,316,760,635**	**1,154,484,320**	**856,452,613**	**635,238,302**	**1,110,824,407**	**671,784,892**
Gross revenue	788,688,123	660,936,662	623,631,591	194,943,999	326,388,043	226,316,937	132,211,603	110,339,918	269,027,001	151,366,320
Administrative and operating expenses	(476,444,855)	(377,836,065)	(222,835,094)	(184,646,436)	(225,007,012)	(174,202,560)	(122,689,697)	(134,029,015)	(167,028,223)	(125,860,693)
Profit/(Loss) before tax	**312,243,268**	**283,100,597**	**400,796,497**	**10,297,563**	**101,381,031**	**52,114,377**	**9,521,906**	**(23,689,097)**	**101,998,778**	**25,505,627**
Taxation & Levy	(7,188,436)	(53,449,845)	(93,915,777)	(723,724)	(32,463,144)	(16,246,061)	3,547,425	(5,765,789)	(18,648,865)	(5,708,396)
Profit/(Loss) after tax	**305,054,832**	**229,650,752**	**306,880,720**	**9,573,839**	**68,917,887**	**35,868,316**	**13,069,331**	**(29,454,886)**	**83,349,913**	**19,797,231**

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INDEPENDENT AUDITOR'S REPORT

To the members of IGI Finex Securities Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **IGI Finex Securities Limited** (the Company), which comprise the statement of financial position as at December 31, 2025, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at December 31, 2025 and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

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

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

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

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

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network, State Life Building No. 1-C, I. I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007

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Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

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

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Report on Other Legal and Regulatory Requirements

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

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

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

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

d) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980);

e) The Company was in compliance with the requirements of section 78 of the Securities Act, 2015 and section 62 of the Futures Market Act, 2016 and the relevant requirements of Securities Brokers (Licensing and Operations) Regulations, 2016 as at the date on which the statement of financial position was prepared; and

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

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

A. F. Ferguson & Co.
Chartered Accountants
Karachi
Dated: April 3, 2026
UDIN: AR202510611ewgGJAloi

IGI FINEX SECURITIES LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

IGI FINEX SECURITIES LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2025

	Note	2025	2024
		---------------- Rupees	--------------
ASSETS			
Non-current assets			
Property and equipment	4	136,442,409	84,517,136
Intangible assets	5	18,599,897	15,032,351
Long-term investments	6	75,306,732	44,481,946
Long-term deposits	7	3,854,664	14,329,664
Deferred tax asset - net	8	70,308,518	28,144,531
		304,512,220	186,505,628
Current assets			
Trade receivables - net	9	92,651,681	111,582,061
Advances	10	1,165,458	1,627,714
Deposits and prepayments	11	710,857,513	568,258,034
Accrued mark-up - net	12	6,683,205	12,389,193
Other receivables	13	7,882,108	5,897,825
Taxation recoverable		93,227,031	88,867,509
Short-term investments	14	-	-
Bank balances	15	1,552,220,110	1,768,315,613
		2,464,687,106	2,556,937,949
TOTAL ASSETS		2,769,199,326	2,743,443,577
EQUITY AND LIABILITIES			
Share capital and reserves			
Share capital	16		
Ordinary shares		520,000,000	520,000,000
Preference shares		485,000,000	485,000,000
Surplus on remeasurement of financial assets - net	17	75,306,332	44,481,546
Unappropriated profits / (accumulated losses)		102,286,451	(182,340,063)
Total equity		1,182,592,783	867,141,483
Non-current liabilities			
Retirement benefit obligations - net	18	234,239	162,527
Lease liabilities against right-of-use assets	19	17,922,240	4,146,065
		18,156,479	4,308,592
Current liabilities			
Trade and other payables	20	1,563,292,201	1,869,217,960
Current portion of lease liabilities against right-of-use assets	19	5,157,863	2,775,542
		1,568,450,064	1,871,993,502
Total liabilities		1,586,606,543	1,876,302,094
TOTAL EQUITY AND LIABILITIES		2,769,199,326	2,743,443,577
CONTINGENCIES AND COMMITMENTS	21		

The annexed notes from 1 to 42 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

IGI FINEX SECURITIES LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Note	2025	2024
		---------------- Rupees	--------------
Operating revenue	22	560,877,258	350,984,673
Other operating revenue	23	239,538,095	307,631,740
Total operating income		800,415,353	658,616,413
Cost of services	24	(319,960,690)	(288,454,507)
Gross profit		480,454,663	370,161,906
Administrative and general expenses	25	(156,484,165)	(89,381,558)
Operating profit		323,970,498	280,780,348
Financial charges	26	(11,758,974)	(2,494,658)
Other income - net	27	31,744	4,814,907
		(11,727,230)	2,320,249
Profit for the year before levy and taxation		312,243,268	283,100,597
Levy	28	(7,812,763)	(980,217)
Profit for the year before taxation		304,430,505	282,120,380
Taxation	28	624,327	(52,469,628)
Profit for the year		305,054,832	229,650,752
Earnings per share - basic	29	5.866	4.416
Earnings per share - diluted	29.1	3.035	2.285

The annexed notes from 1 to 42 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER **DIRECTOR**

IGI FINEX SECURITIES LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2025

	Note	2025	2024
		---------------- Rupees	--------------
Profit for the year		305,054,832	229,650,752
Other comprehensive income			
Items that will not be reclassified to the statement of profit or loss in subsequent years			
Remeasurement losses on retirement benefit obligations	18.1.8	(6,875,226)	(6,927,638)
Deferred tax on remeasurement of retirement benefit obligations	8.2	996,908	2,142,356
		(5,878,318)	(4,785,282)
Unrealised gain on remeasurement of financial assets classified 'at fair value through other comprehensive income'	17	30,824,786	28,308,150
		24,946,468	23,522,868
Total comprehensive income for the year		330,001,300	253,173,620

The annexed notes from 1 to 42 form an integral part of these financial statements.

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CHIEF EXECUTIVE OFFICER

DIRECTOR

IGI FINEX SECURITIES LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2025

	Share capital		Capital reserve	Revenue reserve	Total
	Issued, subscribed and paid-up share capital		Surplus on remeasurement of financial assets at fair value through other comprehensive income - net	(Accumulated losses) / unappropriated profits	
	Ordinary shares	Preference shares			
	----------(Rupees)----------				
Balance as at January 1, 2024	520,000,000	485,000,000	16,173,396	(392,655,533)	628,517,863
Total comprehensive income for the year					
Profit for the year	-	-	-	229,650,752	229,650,752
Other comprehensive income / (loss)	-	-	28,308,150	(4,785,282)	23,522,868
	-	-	28,308,150	224,865,470	253,173,620
Transactions with owners in their capacity as owners directly recorded in equity					
Final dividend for the year ended December 31, 2023 @ Rs. 0.30 per preference share	-	-	-	(14,550,000)	(14,550,000)
Balance as at December 31, 2024	520,000,000	485,000,000	44,481,546	(182,340,063)	867,141,483
Total comprehensive income for the year					
Profit for the year	-	-	-	305,054,832	305,054,832
Other comprehensive income / (loss)	-	-	30,824,786	(5,878,318)	24,946,468
	-	-	30,824,786	299,176,514	330,001,300
Transactions with owners in their capacity as owners directly recorded in equity					
Final dividend for the year ended December 31, 2024 @ Rs. 0.30 per preference share	-	-	-	(14,550,000)	(14,550,000)
Balance as at December 31, 2025	520,000,000	485,000,000	75,306,332	102,286,451	1,182,592,783

The annexed notes from 1 to 42 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER **DIRECTOR**

IGI FINEX SECURITIES LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Note	2025	2024
		---------------- Rupees --------------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the year before taxation		304,430,505	282,120,380
Adjustments for non-cash items			
Depreciation	4.5	23,448,944	15,261,723
Amortisation	5.6	594,504	568,955
Amortisation of discount income	23	(4,572,080)	(15,706,835)
Gain on disposal of property and equipment	27	(551,757)	(4,510,226)
Loss / (gain) on disposal of investment		600,230	(53,476)
Dividend income	23	(2,733,124)	(1,610,012)
Profit on savings accounts	23	(193,913,887)	(260,304,652)
Income on exposure deposits with NCCPL / Pakistan Stock Exchange Limited	23	(25,701,771)	(21,268,111)
Income on Base Minimum Capital deposit	23	(1,047,829)	(3,063,854)
Income from MTS exposure	23	(324,453)	(504,057)
Charge for defined benefit plan	18.1.7	5,386,202	3,151,288
Reversal of provision for leave encashment	20.4	-	(2,347,255)
Provision for bonus	20.5	43,350,611	42,669,946
Financial charges		11,024,451	1,796,089
		(144,439,959)	(245,920,477)
		159,990,546	36,199,903
Changes in working capital			
Increase / (decrease) in current assets			
Trade receivables - net		18,930,380	(42,036,764)
Advances		462,256	(428,365)
Deposits and prepayments		(142,599,479)	(376,768,931)
Other receivables		(1,984,283)	(841,710)
		(125,191,126)	(420,075,770)
Decrease in current liabilities			
Trade and other payables		(303,194,395)	(1,205,943,122)
Cash used in operations		(268,394,975)	(1,589,818,989)
Finance cost paid		(11,024,451)	(1,796,089)
Taxes paid		(44,902,274)	(51,087,914)
Payment against leave encashment	20.4	(1,108,772)	(198,173)
Bonus paid	20.5	(44,973,203)	(29,169,946)
Payment against defined benefit plan	18.1.6	(12,189,716)	(9,068,717)
Net cash used in operating activities		(382,593,391)	(1,681,139,828)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for purchase of property and equipment		(60,907,967)	(36,785,327)
Payment for purchase of intangible assets		(4,162,050)	(79,240)
Payment for purchase of investments		(134,299,650)	-
Proceeds from disposal of property and equipment		6,824,694	5,514,674
Proceeds from disposal of investment		138,271,500	110,293,304
Decrease in long-term deposits		10,475,000	6,800,000
Dividend received		2,733,124	1,610,012
Profit / income received on savings accounts and deposits		226,693,928	295,805,490
Net cash generated from investing activities		185,628,579	383,158,913
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid on preference shares		(14,550,000)	(14,550,000)
Lease rentals paid against right-of-use assets	19.1	(4,580,691)	(2,195,770)
Net cash used in financing activities		(19,130,691)	(16,745,770)
Net decrease in cash and cash equivalents during the year		(216,095,503)	(1,314,726,685)
Cash and cash equivalents at the beginning of the year		1,768,315,613	3,083,042,298
Cash and cash equivalents at the end of the year	15	1,552,220,110	1,768,315,613

The annexed notes from 1 to 42 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER **DIRECTOR**

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 IGI Finex Securities Limited (the Company) was incorporated in Pakistan on June 28, 1994 as a public company limited by shares under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). The registered office of the Company is situated at Suite No. 701-713, 7th Floor, the Forum, G-20, Khayaban-e-Jami, Block-9, Clifton, Karachi. The Company has a Trading Rights Entitlement Certificate (TREC) of Pakistan Stock Exchange Limited. The Company is also a corporate member of the Pakistan Mercantile Exchange Limited.

The principal activities of the Company include shares and commodities brokerage, and advisory and consulting services.

The Company is a wholly owned subsidiary of IGI Holdings Limited (the Holding Company).

1.2 The geographical locations and addresses of the Company's branches are as under:

- Corporate Office, Suite 701-713, 7th Floor, the Forum, Khayaban-e-Jami, Block 9, Clifton, Karachi.
- Shop # G-009, Ground Floor, Packages Mall, Lahore.
- 3rd Floor, 85 East, F/7-G/7 Kamran Centre, Jinnah Avenue, Blue Area, Islamabad.
- Office # 2, 5 & 8, Ground Floor, Regency International 949, The Mall, Faisalabad.
- Basement of Khalid Market, Building # 12, Town Hall Road, Rahim Yar Khan.
- Mezzanine Floor, Abdali Towers, Abdali Road, Multan.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- provisions of, directives and notifications issued under the Companies Act, 2017; and
- the Securities Broker (Licensing and Operations) Regulations, 2016.

Where provisions of, directives and notifications issued under the Companies Act, 2017 and the Securities Brokers (Licensing and Operations) Regulations, 2016 differ from the IFRS Accounting Standards, the provisions of, directives and notifications issued under the Companies Act, 2017 and the Securities Brokers (Licensing and Operations) Regulations, 2016 have been followed.

2.2 Standards, amendments and interpretations to accounting and reporting standards that are effective in the current year

There are certain standards, amendments and interpretations that are mandatory for the Company's accounting periods beginning on or after January 01, 2025 but are considered not to be relevant or do not have any significant effect on the Company's operations and are, therefore, not detailed in these financial statements.

2.2.1 Standards, interpretations and amendments to accounting and reporting standards that are not yet effective

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Company's accounting periods beginning on or after January 01, 2026 but are considered not to be relevant or will not have any material effect on the Company's financial statements and have not been detailed in these financial statements except for:

- the new standard - IFRS 18 - Presentation and Disclosure in Financial Statements (IFRS 18) (published in April 2024) with an applicability date of January 01, 2027 by IASB. IFRS 18 is yet to be adopted in Pakistan. IFRS 18 when adopted and applicable shall impact the presentation of 'Statement of Profit or Loss' with certain additional disclosures in the financial statements.

- amendments to IFRS 9 and IFRS 7 - Classification and Measurements of Financial Instruments (published in May 2024) with applicability date of January 01, 2026. These amendments:
  - clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
  - clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion; and
  - make updates to the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

The management is in the process of assessing the impact of these standard and amendments on the financial statements of the Company.

2.2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except that investments have been marked to market and are carried at fair value, retirement benefit obligation has been carried at present value of the defined benefit obligation less fair value of plan assets, lease liabilities have been carried at present value and right-of-use assets are initially measured at an amount equal to the corresponding lease liabilities (adjusted for any lease payments and costs as disclosed in note 3.2 to these financial statements) and are depreciated over the respective lease terms.

2.2.3 Functional and presentation currency

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

2.2.4 Significant accounting estimates and judgments

The preparation of these financial statements in conformity with the accounting and reporting standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the reported amount of assets and liabilities, income and expenses. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience, including expectations of future events that are believed to be reasonable under the circumstances. The areas where various assumptions and estimates are significant to the Company's financial statements or where judgment was exercised in application of accounting policies are as follows:

i) determination and measurement of useful lives and residual value of property and equipment (notes 3.1.1 and 4);
ii) amortisation of intangible assets (notes 3.1.2 and 5);
iii) impairment of financial assets other than investments (notes 3.4.1.2, 9, 12 and 13);
iv) provision for current and deferred taxation (notes 3.8, 8 and 28);
v) provision for retirement benefits (notes 3.3 and 18); and
vi) lease liability and right-of-use assets (notes 3.2, 4 and 19).

3 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to each year presented, unless otherwise stated.

3.1 Fixed assets

3.1.1 Property and equipment

These are stated at cost less accumulated depreciation and accumulated impairment losses, if any, except for capital work-in-progress which is stated at cost less accumulated impairment losses, if any. The cost of an item of property and equipment comprises of its purchase price and any directly attributable costs of bringing the asset to working condition for its intended use.

Depreciation on all fixed assets is calculated using the straight line method in accordance with the rates specified in note 4 to these financial statements after taking into account residual values, if any. The assets' residual values, useful lives and depreciation method are reviewed and adjusted, if significant, at each reporting date.

Depreciation on additions is charged from the date the asset is available for use. In case of assets disposed of, depreciation is charged till the date of disposal.

Subsequent costs are included in the asset's carrying amounts or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance expenditures are charged to the statement of profit or loss as and when incurred.

Gains or losses arising from derecognition of property and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

3.1.2 Intangible assets

Intangible assets having a finite useful life are stated at cost less accumulated amortisation and accumulated impairment losses, if any. Such intangible assets are amortised using the straight-line method after taking into account residual values, if any, at the rates specified in note 5 to these financial statements. Amortisation is charged from the date the asset is available for use while in the case of assets disposed of, it is charged till the date of disposal. The useful lives, assets' residual values and amortisation method are reviewed and adjusted, if significant, at each reporting date.

Intangible assets having an indefinite useful life are stated at cost less accumulated impairment losses, if any. An intangible asset is regarded as having an indefinite useful life, when, based on an analysis of all the relevant factors, there is no foreseeable limit to the period over which asset is expected to generate net cash inflows for the Company. An intangible asset with an indefinite useful life is not amortised. However, the carrying amount is reviewed at each reporting date or whenever there is an indication that the asset may be impaired, to assess whether it is in excess of its recoverable amount, and where the carrying value exceeds the estimated recoverable amount, it is written down to its estimated recoverable amount.

Gains or losses arising from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

3.2 Right-of-use assets and their related lease liability

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

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The lease liability is initially measured at the present value of the lease payments over the period of lease term and that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Company's incremental borrowing rate.

Lease payments include fixed payments less any lease incentive receivable, variable lease payments that are based on an index or a rate which are initially measured using the index or rate as at the commencement date, amounts expected to be payable by the Company under residual value guarantees, the exercise price of a purchase option if the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease if the lease term reflects that the lessee will exercise that option. The extension and termination options are incorporated in determination of lease term only when the Company is reasonably certain to exercise these options.

The lease liability is subsequently measured at amortised cost using the effective interest rate method. The lease liability is also remeasured to reflect any reassessment or lease modification, or to reflect revised in-substance fixed lease payment.

The lease liability is remeasured when the Company reassesses the reasonable certainty to exercise extension or termination option upon occurrence of either a significant event or a significant change in circumstances, or when there is a change in assessment of an option to purchase an underlying asset, or when there is a change in amount expected to be payable under a residual value guarantee, or when there is a change in future lease payments resulting from a change in an index or rate used to determine those payments. The corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the statement of profit or loss if the carrying amount of right-of-use asset has been reduced to zero.

When there is a change in scope of a lease, or the consideration for a lease, that was not part of the original terms and conditions, the same is accounted for as a lease modification. The lease modification is accounted for as a separate lease if modification increases the scope of lease by adding the right to use one or more underlying assets and the consideration for lease increases by an amount that is commensurate with the standalone price for the increase in scope adjusted to reflect the circumstances of the particular contract, if any. When the lease modification is not accounted for as a separate lease, the lease liability is remeasured and corresponding adjustment is made to right-of-use asset.

The right-of-use asset is initially measured at an amount equal to the initial measurement of lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of the costs to be incurred to dismantle and remove the underlying asset or to restore the underlying asset or the site on which the asset is located.

The right-of-use asset is subsequently measured at cost less accumulated depreciation and accumulated impairment losses, if any. The right-of-use asset is depreciated using the straight line method in accordance with the rates specified in note 4.1 to these financial statements and after taking into account residual values, if any. The useful lives and depreciation methods are reviewed and adjusted, if appropriate, at each reporting date. The right-of-use asset is adjusted for certain remeasurements of the lease liability.

The Company applies the short-term lease recognition exemption towards certain leases (i.e. those lease 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 leases that are considered to be low value. Lease payments on such leases are recognised as expense on straight line basis over the lease term.

3.3 Staff retirement benefits

3.3.1 Gratuity fund - Funded

The Company operates an approved gratuity fund (funded) for all permanent employees who have completed the minimum qualifying period which is 1 year. The liability / asset recognised in the statement of financial position is the present value of defined benefit obligation at the reporting date less fair value of plan assets. Contributions to the fund are made in accordance with an independent actuarial valuation using the Projected Unit Credit Method. Amounts arising as a result of remeasurements, representing actuarial gains and losses are recognised directly in equity through 'other comprehensive income' as they occur. The Company determines the net interest expense / income on the net defined benefit liability / asset for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period taking into account any changes in the liability / asset due to contribution / benefit payments. Net interest expense, past service costs and current service costs are recognised in the statement of profit or loss. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

3.3.2 Defined contribution plan

The Company operates an approved contributory provident fund which covers all permanent employees. Equal monthly contributions are made both by the Company and the employees to the Fund at the rate of 10 percent of the basic salary.

3.4 Financial instruments

3.4.1 Financial assets

3.4.1.1 Classification and subsequent measurement

The Company classifies its financial assets in the following measurement categories in accordance with the requirements of IFRS 9:

- at amortised cost;
- at fair value through other comprehensive income (FVOCI); and
- at fair value through profit or loss (FVPL).

The classification requirements for debt and equity instruments are described below:

(i) Debt instruments

Debt instruments are those instruments that meet the definition of a financial liability from the issuer's perspective, such as loans, government and corporate bonds and puttable instruments like units of open-ended mutual funds.

Classification and subsequent measurement of debt instruments depend on:

- the Company's business model for managing the asset; and
- the cash flow characteristics of the asset.

Based on these factors, the Company classifies its debt instruments in one of the following three measurement categories:

a) At amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest (SPPI), and that are not designated at FVPL, are measured at amortised cost. The carrying amount of these assets is adjusted by any expected credit loss allowance (ECL) recognised and measured as described in note 3.4.1.2.

b) Fair value through other comprehensive income

Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent solely payments of principal and interest, and that are not designated at FVPL, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income (OCI), except for the recognition of impairment gains or losses, recognised and measured as described in note 3.4.1.2, interest revenue and foreign exchange gains and losses on the instrument's amortised cost which are recognised in the statement of profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from surplus on remeasurement of financial assets to the statement of profit or loss.

c) Fair value through profit or loss

Assets that do not meet the criteria for classification at amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in the statement of profit or loss in the period in which it arises.

(ii) Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective and are instruments that do not contain a contractual obligation to pay and evidence a residual interest in the issuer's net assets.

All equity investments are required to be measured in the statement of financial position at fair value, with gains and losses recognised in the statement of profit or loss, except where an irrevocable election has been made at the time of initial recognition to measure the investment at FVOCI. The fair value of investments is determined based on the rate of securities as quoted on the Pakistan Stock Exchange Limited.

The dividend income on equity securities is to be recognised in the statement of profit or loss. However, any surplus / (deficit) arising as a result of subsequent movement in the fair value of equity securities classified as FVOCI is to be recognised in other comprehensive income and is not recycled to the statement of profit or loss on derecognition.

3.4.1.2 Impairment

The Company assesses on a forward-looking, basis the expected credit losses (ECL) associated with its debt instrument assets carried at amortised cost and FVOCI and trade receivables. The Company recognises a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

For trade debts, the Company applies a simplified approach, where applicable, in calculating ECL. The Company has established a provision matrix for portfolio of customers having similar risk characteristics and estimates default rates based on the Company's historical credit loss experience, adjusted for forward-looking factors (including gross domestic product and consumer price index).

The Company considers a financial asset to be at a risk of default when contractual payments are 90 days past due, unless there are factors that might indicate otherwise. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

3.4.1.3 Derecognition

Financial assets, or a portion thereof, are derecognised when the contractual rights to receive the cash flows from the assets have expired, or when they have been transferred and either.

(i) the Company transfers substantially all the risks and rewards of ownership; or

(ii) the Company neither transfers nor retains substantially all the risks and rewards of ownership and the Company has not retained control.

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3.4.1.4 Regular way contracts

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date on which the Company commits to purchase or sell the asset. Regular way purchases / sales of assets require delivery of securities within two days (T+2) from the transaction date as per the Pakistan Stock Exchange (PSX) regulations. Subsequent to the year end, PSX officially transitioned to T+1 settlement cycle which require delivery of securities within one day from the transaction date.

3.4.2 Financial liabilities

Financial liabilities are initially recognised at fair value plus transaction costs and are subsequently measured at amortised cost except for financial liabilities classified at fair value through profit or loss.

3.4.2.1 Derecognition

Financial liabilities are derecognised at the time when these are extinguished i.e. when the obligation specified in the contract is discharged, cancelled or expired. Any gain or loss on derecognition of financial liabilities is taken to the statement of profit or loss.

3.5 Securities under repurchase / resale agreement

Transactions of sale under repurchase (repo) of securities are entered into at contracted rates for specified periods of time. These securities are not derecognised from the financial statements and are continued to be recognised as investments and measured in accordance with the accounting policies for investment securities. The counterparty liabilities for amounts received under these transactions are recorded as liabilities. The difference between sale and repurchase price is treated as interest / mark-up expense and accrued over the life of the repo agreement.

Transactions of purchase under resale (reverse-repo) of securities are entered into at contracted rates for specified periods of time. These securities are not recognised in the statement of financial position as investments, as the Company does not obtain control over the assets. Amounts paid under these arrangements are included in the statement of financial position as receivable against reverse repurchase transactions. The difference between purchase and resale price is treated as income from the date of reverse repurchase transaction and accrued over the life of the reverse-repo agreement.

All purchases and sales of securities that require delivery within the time frame established by the regulations or market convention are recognised at the trade date. Trade date is the date on which the Company commits to purchase or sell the asset.

3.6 Trade and other payables

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

3.7 Provisions and contingent liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. The amount recognised represents the best estimate of the expenditure required to settle the obligation at the reporting date. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate. Provisions are not recognised for future operating losses.

Contingent liability is disclosed when:

- there is a possible obligation that arises from past events and 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

- there is a present 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.

The assessment of the contingencies inherently involves the exercise of significant judgment as the outcome of the future events cannot be predicted with certainty. The Company, based on the availability of the latest information, estimates the value of contingent assets and liabilities which may differ on the occurrence / non-occurrence of the uncertain future events not wholly within the control of the Company.

3.8 Taxation - Income tax and levy

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

3.8.1 Current

Provision for current taxation is based on taxability of certain income streams of the Company under minimum tax regime at the applicable tax rates and remaining income streams chargeable at current rate of taxation under normal tax regime after taking into account tax credits and rebates available, if any, or on turnover at the specified rate or Alternate Corporate Tax as defined in section 113C of Income Tax Ordinance, 2001, whichever is higher. The charge for the current tax also includes adjustments where necessary, relating to prior years which arise from assessments framed / finalised during the current year.

3.8.2 Deferred

Deferred tax is recognised using the balance sheet method on all temporary differences between the carrying amounts of assets and liabilities used for financial reporting purposes and amounts used for taxation purposes.

Deferred tax asset is recognised only to the extent that it is probable that taxable profits will be available against which the asset can be utilised. The carrying amount of deferred tax asset is reviewed at each reporting date and suitable adjustments are made to that extent.

Deferred tax is measured at the tax rates that are expected to apply to the temporary differences when they will be reversed, based on the tax rates that have been enacted or substantively enacted at the reporting date.

3.8.3 Levy

In accordance with Income Tax Ordinance, 2001 (the Ordinance), computation of final taxes is not based on taxable income. Therefore, as per IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes issued by the Institute of Chartered Accountants of Pakistan (ICAP), these fall within the scope of IFRIC 21 / IAS 37 and accordingly have been classified as levy in these financial statements.

3.9 Revenue recognition

The Company recognises revenue when the performance obligations are fulfilled. The obligations are fulfilled when the services have been rendered to the customer. Therefore, the Company recognises revenue based on the following basis:

- Brokerage revenue arising from sales / purchase of securities on client's behalf is recognised on the date of execution of the transaction by the Company;
- Revenue from advisory and consultancy services is recognised when the performance obligation is satisfied i.e. when services are provided;
- Income from bank balances and government securities is recognised on accrual basis;
- Dividend income is recorded when the right to receive the dividend is established; and
- Unrealised gains / (losses) arising from mark to market of investments classified as financial assets 'at fair value through other comprehensive income' are recognised in other comprehensive income in the period in which these arise.

Payment from clients on brokerage revenue usually ranges between 2 days to 90 days depending on the category of the customer. Payment on advisory / consultancy services is made in accordance with the terms of each contract separately while payment of profit on bank deposit is received at month end or within 2 to 3 days of next month.

3.10 Proposed dividend and transfer between reserves

Dividends declared and transfers between reserves, except appropriations which are required by law, made subsequent to the reporting date are considered as non-adjusting events and are recognised in the financial statements in the period in which such dividends and transfers are approved.

3.11 Cash and cash equivalents

Cash and cash equivalents for the purpose of statement of cash flows include cash in hand, balances with banks in current and savings accounts, term deposits and other short-term highly liquid investments with original maturities of three months or less.

3.12 Earnings per share (EPS)

The Company presents basic and diluted earnings per share (EPS) for its shareholders. Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to the ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, if any.

3.13 Share capital

3.13.1 Ordinary shares

Ordinary shares are classified as equity and recognised at their face value. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. All ordinary shares rank equally with regard to the Company's residual assets after the preference shares are paid. Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

3.13.2 Preference shares

Preference shares are non-redeemable. Holders of these shares receive a non-cumulative dividend at the rate of 3% as and when declared by the Company. They do not have the right to participate in any additional dividends declared for ordinary shareholders. These shares do not have voting rights.

4 PROPERTY AND EQUIPMENT

	Note	2025	2024
		Rupees	
Property and equipment	4.1	134,703,784	77,249,436
Capital work-in-progress	4.2	1,738,625	7,267,700
		136,442,409	84,517,136

4.1 Property and equipment

	2025								
	Leasehold improvements	Furniture and fixtures	Office equipment	Communi-cation equipment	Computer equipment	Motor vehicles	Right-of-use asset - Building	Right-of-use asset - Vehicles	Total
	Rupees								
As at January 1, 2025									
Cost	3,859,221	2,663,027	4,668,549	1,508,424	18,965,620	73,502,919	-	18,381,000	123,548,760
Accumulated depreciation	(2,014,633)	(1,085,973)	(2,111,405)	(956,289)	(11,877,042)	(20,919,605)	-	(7,334,377)	(46,299,324)
Net book value	1,844,588	1,577,054	2,557,144	552,135	7,088,578	52,583,314	-	11,046,623	77,249,436
Year ended December 31, 2025									
Opening net book value	1,844,588	1,577,054	2,557,144	552,135	7,088,578	52,583,314	-	11,046,623	77,249,436
Transfers from CWIP - note 4.2.1	1,586,800	-	-	-	-	8,283,898	-	30,746,784	40,617,482
Additions	761,800	-	96,652	352,294	45,348,001	-	-	-	46,558,747
Disposals - note 4.3									
Cost	-	-	-	(135,000)	-	(1,032,244)	-	(9,522,000)	(10,689,244)
Accumulated depreciation	-	-	-	135,000	-	156,138	-	4,125,169	4,416,307
	-	-	-	-	-	(876,106)	-	(5,396,831)	(6,272,937)
Depreciation charge for the year	(380,182)	(207,906)	(340,188)	(153,449)	(8,974,299)	(10,459,673)	-	(2,933,247)	(23,448,944)
Closing net book value	3,813,006	1,369,148	2,313,608	750,980	43,462,280	49,531,433	-	33,463,329	134,703,784
As at December 31, 2025									
Cost	6,207,821	2,663,027	4,765,201	1,725,718	64,313,621	80,754,573	-	39,605,784	200,035,745
Accumulated depreciation	(2,394,815)	(1,293,879)	(2,451,593)	(974,738)	(20,851,341)	(31,223,140)	-	(6,142,455)	(65,331,961)
Net book value	3,813,006	1,369,148	2,313,608	750,980	43,462,280	49,531,433	-	33,463,329	134,703,784
Depreciation rate per annum (%)	10	10	10	20	33	20	33	20	

	2024								
	Leasehold improvements	Furniture and fixtures	Office equipment	Communication equipment	Computer equipment	Motor vehicles	Right-of-use asset - Building	Right-of-use asset - Vehicles	Total
	Rupees								
As at January 1, 2024									
Cost	3,859,221	1,906,847	3,136,061	1,241,094	15,959,101	45,307,625	1,216,970	18,381,000	91,007,919
Accumulated depreciation	(1,628,713)	(927,980)	(1,830,124)	(1,159,361)	(10,231,814)	(15,803,755)	(1,216,970)	(4,577,222)	(37,375,939)
Net book value	2,230,508	978,867	1,305,937	81,733	5,727,287	29,503,870	-	13,803,778	53,631,980
Year ended December 31, 2024									
Opening net book value	2,230,508	978,867	1,305,937	81,733	5,727,287	29,503,870	-	13,803,778	53,631,980
Transfers from CWIP - note 4.2.1	-	-	-	-	-	10,316,000	-	-	10,316,000
Additions	-	756,180	1,532,488	526,051	4,464,192	22,288,716	-	-	29,567,627
Disposals									
Cost	-	-	-	(258,721)	(1,457,673)	(4,409,422)	(1,216,970)	-	(7,342,786)
Accumulated depreciation	-	-	-	258,629	1,457,673	3,405,066	1,216,970	-	6,338,338
	-	-	-	(92)	-	(1,004,356)	-	-	(1,004,448)
Depreciation charge for the year	(385,920)	(157,993)	(281,281)	(55,557)	(3,102,901)	(8,520,916)	-	(2,757,155)	(15,261,723)
Closing net book value	1,844,588	1,577,054	2,557,144	552,135	7,088,578	52,583,314	-	11,046,623	77,249,436
As at December 31, 2024									
Cost	3,859,221	2,663,027	4,668,549	1,508,424	18,965,620	73,502,919	-	18,381,000	123,548,760
Accumulated depreciation	(2,014,633)	(1,085,973)	(2,111,405)	(956,289)	(11,877,042)	(20,919,605)	-	(7,334,377)	(46,299,324)
Net book value	1,844,588	1,577,054	2,557,144	552,135	7,088,578	52,583,314	-	11,046,623	77,249,436
Depreciation rate per annum (%)	10	10	10	20	33	20	33	20	

4.2 Capital work-in-progress

	Note	2025	2024
		Rupees	
Advance to suppliers	4.2.1	1,738,625	7,267,700

4.2.1 The movement in capital work-in-progress is as follows:

	2025	2024
Balance at beginning of the year	7,267,700	10,366,000
Additions during the year	35,088,407	7,267,700
Transfers to property and equipment	(40,617,482)	(10,316,000)
Reclassified during the year	-	(50,000)
Balance at the end of the year	1,738,625	7,267,700

4.3 The details of operating fixed assets having book value of five hundred thousand rupees or more disposed of during the year are as follows:

Description	Cost	Accumulated depreciation	Book value	Sale proceeds	Gain on disposal	Mode of disposal	Particulars of purchaser	Relationship with buyer
	Rupees							
Suzuki Wagon R	2,199,000	934,575	1,264,425	1,284,460	20,035	As per policy	Mr. Farrukh Farooq	Employee
Suzuki Wagon R	2,199,000	934,575	1,264,425	1,284,460	20,035	As per policy	Mr. Muhammad Shakeel	Employee
Hyundai Elantra	5,124,000	2,256,019	2,867,981	3,041,776	173,795	As per policy	Mr. Faisal Jawed Khan	Director
	9,522,000	**4,125,169**	**5,396,831**	**5,610,696**	**213,865**			

4.4 The cost and accumulated depreciation in respect of fully depreciated assets still in Company's use as at December 31, 2025 amounted to Rs. 21.825 million and Rs. 19.588 million (2024: Rs. 21.347 million and Rs. 19.087 million) respectively.

		Note	2025	2024
			------Rupees------	
4.5	**The depreciation charge for the year has been allocated as follows:**			
	Cost of services	24	16,414,261	8,861,700
	Administrative and general expenses	25	7,034,683	6,400,023
			23,448,944	15,261,723

5 INTANGIBLE ASSETS

	Note	2025	2024
Intangibles	5.1	13,923,276	13,517,780
Capital work-in-progress	5.2	4,676,621	1,514,571
		18,599,897	15,032,351

5.1 Intangibles

	2025				
	Membership card (note 5.3)	Computer software	Club membership	Trading Rights Entitlement Certificate (TREC) (note 5.4)	Total
	Rupees				
As at January 1, 2025					
Cost	250,000	16,941,379	2,000,000	14,999,000	34,190,379
Accumulated amortisation / impairment	-	(14,672,599)	(2,000,000)	(4,000,000)	(20,672,599)
Net book value	250,000	2,268,780	-	10,999,000	13,517,780
Year ended December 31, 2025					
Opening net book value	250,000	2,268,780	-	10,999,000	13,517,780
Additions / transfers	-	1,000,000	-	-	1,000,000
Amortisation for the year	-	(594,504)	-	-	(594,504)
Closing net book value	250,000	2,674,276	-	10,999,000	13,923,276
As at December 31, 2025					
Cost	250,000	17,941,379	2,000,000	14,999,000	35,190,379
Accumulated amortisation / impairment	-	(15,267,103)	(2,000,000)	(4,000,000)	(21,267,103)
Net book value	250,000	2,674,276	-	10,999,000	13,923,276
Amortisation rate per annum (%)		10 - 33.33	50		

	2024				
	Membership card (note 5.3)	Computer software	Club membership	Trading Rights Entitlement Certificate (TREC) (note 5.4)	Total
	Rupees				
As at January 1, 2024					
Cost	250,000	16,941,379	2,000,000	14,999,000	34,190,379
Accumulated amortisation / impairment	-	(14,103,644)	(2,000,000)	(4,000,000)	(20,103,644)
Net book value	250,000	2,837,735	-	10,999,000	14,086,735
Year ended December 31, 2024					
Opening net book value	250,000	2,837,735	-	10,999,000	14,086,735
Amortisation for the year	-	(568,955)	-	-	(568,955)
Closing net book value	250,000	2,268,780	-	10,999,000	13,517,780
As at December 31, 2024					
Cost	250,000	16,941,379	2,000,000	14,999,000	34,190,379
Accumulated amortisation / impairment	-	(14,672,599)	(2,000,000)	(4,000,000)	(20,672,599)
Net book value	250,000	2,268,780	-	10,999,000	13,517,780
Amortisation rate per annum (%)		10 - 33.33	50		

5.2	Capital work-in-progress	Note	2025	2024
			----Rupees----	
	Advance to suppliers	5.2.1	4,676,621	1,514,571

5.2.1 The movement in capital work-in-progress is as follows:

	2025	2024
Balance at beginning of the year	1,514,571	1,435,331
Additions during the year	4,162,050	79,240
Transfers to intangibles	(1,000,000)	-
Balance at the end of the year	4,676,621	1,514,571

5.3 This represents membership card of Pakistan Mercantile Exchange Limited as the Company is a member of Pakistan Mercantile Exchange Limited as explained in note 1.1.

5.4 This represents Trading Rights Entitlement Certificate (TREC) of Pakistan Stock Exchange Limited (PSX) pursuant to the promulgation of Stock Exchanges (Corporatization, Demutualization and Integration) Act, 2012. The TRE Certificate remains valid for an indefinite period, provided that the Company complies with the requirements prescribed by the PSX and the Securities and Exchange Commission of Pakistan (SECP). Accordingly, its useful life has been determined to be indefinite.

5.5 The cost and accumulated amortisation in respect of fully amortised intangible assets still in Company's use as at December 31, 2025 amounted to Rs. 11.292 million (2024: Rs. 11.219 million).

5.6	The amortisation charge for the year has been allocated as follows:	Note	2025	2024
			----Rupees----	
	Cost of services	24	416,153	318,615
	Administrative and general expenses	25	178,351	250,340
			594,504	568,955

6 LONG-TERM INVESTMENTS

	Note	2025	2024
Financial assets at 'fair value through other comprehensive income'			
- Quoted equity securities	6.1 & 6.2	75,306,732	44,481,946

6.1

Company name	Number of shares				Percentage of equity held	Carrying value as at December 31, 2025	Market value as at December 31, 2025	Unrealised gain on remeasurement for the year
	As at January 1, 2025	Purchased / bonus issued during the year	Sold during the year	As at December 31, 2025				
						----Rupees----		
Pakistan Stock Exchange Limited (PSX)	1,602,953	-	-	1,602,953	0.20%	44,481,946	75,306,732	30,824,786
Total as at December 31, 2025						44,481,946	75,306,732	30,824,786
Total as at December 31, 2024						16,173,796	44,481,946	28,308,150

6.2 The shares of PSX were allotted to the Company pursuant to the promulgation of Stock Exchanges (Corporatization, Demutualization and Integration) Act, 2012. As at December 31, 2025, 1,602,953 shares (2024: 1,602,953 shares) were pledged with CDC in order to comply with the Base Minimum Capital requirement prescribed by the PSX.

7 LONG-TERM DEPOSITS

	Note	2025	2024
		---- Rupees ----	
Deposits with:			
National Clearing Company of Pakistan Limited		100,000	100,000
Pakistan Mercantile Exchange Limited		750,000	750,000
NCEL Building Management (Private) Limited	7.1	2,500,000	2,500,000
Pakistan Stock Exchange Limited	7.2	500,000	10,975,000
Others		4,664	4,664
		3,854,664	14,329,664

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7.1 This represents deposit given to NCEL Building Management (Private) Limited for acquiring office premises.

7.2 This represents amount deposited with Pakistan Stock Exchange Limited (PSX) on account of Base Minimum Capital requirement prescribed by PSX and is in addition to the shares of PSX as mentioned in note 6.2 to these financial statements. This deposit carries mark-up / interest at the rate of 7.51% (2024: 14.21%) per annum.

8 DEFERRED TAX ASSET - NET

	Note	2025	2024
		---- Rupees ----	
Deductible / (taxable) temporary differences arising in respect of:			
- ECL against trade receivables, accrued mark-up and other receivables	8.1	53,669,582	29,805,314
- Provision for retirement benefit obligation		33,965	50,261
- Provision for leave encashment		966,219	1,373,234
- Provision for donation		-	1,285,338
- Provision in respect of Alternate Corporate Tax		21,815,134	-
- Accelerated tax depreciation		(6,176,382)	(4,369,616)
		70,308,518	28,144,531

8.1 The Company has an aggregate amount of Rs. 185.068 million (2024: Rs. 416.720 million) in respect of deductible temporary differences arising on ECL against trade receivables, accrued mark-up and other receivables as at December 31, 2025.

In connection with the above, the management has prepared financial projections which have been approved by the Board of Directors of the Company. These projections involve certain key assumptions underlying the estimation of future taxable profits. The determination of future taxable profits takes into account various assumptions regarding the future business, economic and market conditions. Key assumptions include market share of the Company, average commission rate, growth in market volumes, cost to income ratios, returns on funds deployed, timing of write offs etc. A significant change in the assumptions used may impact the realisability of the deferred tax asset.

8.2 Movement in deferred tax asset is as follows:

	Note	2025	2024
		---- Rupees ----	
Opening deferred tax asset - net		28,144,531	32,720,836
(Charge) / reversal to the statement of profit or loss			
ECL against trade receivables, accrued mark-up and other receivables		23,864,268	9,737,343
Provision for retirement benefit obligation		(1,013,204)	(1,847,953)
Provision for leave encashment		(407,015)	(638,812)
Provision for donation		(1,285,338)	1,285,338
Provision in respect of Alternate Corporate Tax		21,815,134	(12,081,988)
Accelerated tax depreciation		(1,806,766)	(3,172,589)
		41,167,079	(6,718,661)
Reversal to the statement of comprehensive income			
Provision for retirement benefit obligation		996,908	2,142,356
		996,908	2,142,356
Closing deferred tax asset		70,308,518	28,144,531

9 TRADE RECEIVABLES - NET

	Note	2025	2024
Considered good			
Receivable from clients against purchase of marketable securities and commodity contracts	9.1	78,215,291	40,626,565
Receivable from National Clearing Company of Pakistan Limited		-	56,519,106
Considered doubtful			
Receivable from clients against purchase of marketable securities and commodity contracts		178,345,240	348,189,398
Commission receivable		-	414,265
Expected credit loss allowance against trade receivables	9.2	(163,908,850)	(334,167,273)
		14,436,390	14,436,390
		92,651,681	111,582,061

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		2025	2024
9.1	This includes amounts due from related parties as under:	---------- Rupees ----------	
	Key management personnel	13,732	1,168
	Other related parties and associated undertakings:		
	- IGI Holdings Limited	-	8
	- IGI Investments (Pvt.) Limited	4,766	-
	- IGI Life Insurance Limited	71,257	71,299
	- Henna Babar Ali	-	8,369,839
	- Others	14,334	1,582
		104,089	8,443,896

9.1.1 The aging analysis of amounts due from related parties is disclosed in note 33.3.2 to the financial statements.

		Note	2025	2024
9.2	**Expected credit loss allowance against trade receivables**		---------- Rupees ----------	
	Opening balance		334,167,273	413,599,622
	Charge for the year		-	-
	Written off during the year	9.2.3	(170,258,423)	(79,432,349)
	Reversal during the year		-	-
			(170,258,423)	(79,432,349)
	Closing balance	9.2.1	163,908,850	334,167,273

9.2.1 This includes ECL of Nil (2024: Rs. 4.404 million) in respect of related parties.

9.2.2 ECL against trade receivables has been made after considering the market value of listed equity securities amounting to Rs. 68.446 million (2024: Rs. 75.407 million) held in custody by the Company against respective customers accounts.

9.2.3 During the year, the management has decided to write off ECL against certain debtors amounting to Rs. 170.258 million (2024: Rs. 79.432 million).

		Gross Amount	Expected Credit Loss Allowance	Net Amount
9.3	**Aging analysis**	---------- Rupees ----------		
	Upto 5 days	45,545,573	-	45,545,573
	More than 5 but upto 14 days	14,273,259	-	14,273,259
	More than 14 but upto 30 days	4,947,275	-	4,947,275
	More than 30 but upto 60 days	1,848,816	-	1,848,816
	More than 60 but upto 90 days	859,799	-	859,799
	More than 90 days	189,085,809	163,908,850	25,176,959
		256,560,531	163,908,850	92,651,681

		Note	2025	2024
9.4	**Customer assets**		---------- Rupees ----------	
	Central Depository System	9.4.1	19,971,596,691	13,026,185,620

9.4.1 The value of customers' assets held in the Central Depository System by the Company and maintained in the Company's sub-accounts as at December 31, 2025 amounts to Rs. 19,971.597 million (2024: Rs. 13,026.186 million).

		Note	2025	2024
10	**ADVANCES**		---------- Rupees ----------	
	Considered good			
	Advances to employees	10.1	1,135,458	774,214
	Advance to supplier		30,000	853,500
			1,165,458	1,627,714

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10.1 The advances to employees are given to meet personal and travelling expenses. These are granted to employees of the Company in accordance with their terms of employment and are recovered through deductions from salaries / against expense settlements.

	Note	2025	2024
11 DEPOSITS AND PREPAYMENTS		------ Rupees ------	
Deposits with:			
Pakistan Stock Exchange Limited		357,923	357,923
Exposure deposits with National Clearing Company of Pakistan Limited / Pakistan Stock Exchange Limited	11.1	683,123,367	556,727,377
Margin deposit with Pakistan Mercantile Exchange Limited		8,212,009	3,029,657
Security deposits		4,047,905	2,992,050
Prepayments		15,116,309	5,151,027
		710,857,513	568,258,034

11.1 This represents deposits held at the year end against exposures arising out of trading in securities in accordance with the regulations of the Pakistan Stock Exchange Limited (PSX). Interest is earned on the deposit at rates as determined by the PSX. These deposits carry interest / mark-up at the rate of 6.24% (2024: 12.52%) per annum.

	Note	2025	2024
12 ACCRUED MARK-UP - NET		------ Rupees ------	
Considered good			
Accrued income on savings accounts and exposure deposits		6,681,186	11,346,986
Accrued income on BMC deposit		2,019	1,042,207
Considered doubtful			
Accrued mark-up income		21,158,677	55,889,873
Accrued income on other receivables		-	12,440,328
		21,158,677	68,330,201
Expected credit loss allowance against accrued mark-up	12.1	(21,158,677)	(68,330,201)
		6,683,205	12,389,193

12.1 Expected credit loss allowance against accrued mark-up

	Note	2025	2024
Opening balance		68,330,201	82,388,136
Charge for the year		-	-
Written off during the year	12.1.1	(47,171,524)	(14,057,935)
Reversal during the year		-	-
		(47,171,524)	(14,057,935)
Balance as at year end		21,158,677	68,330,201

12.1.1 The management has decided to write off ECL against accrued mark-up amounting to Rs. 47.172 million (2024: Rs. 14.058 million).

	Note	2025	2024
13 OTHER RECEIVABLES		------ Rupees ------	
Considered good			
Receivable from related parties	13.1	5,462,949	3,676,471
Others		2,419,159	2,221,354
		7,882,108	5,897,825
Considered doubtful			
Receivable against overdue reverse repurchase transaction	13.2	-	13,297,927
Others		-	924,141
		-	14,222,068
Expected credit loss allowance against other receivables	13.3	-	(14,222,068)
		7,882,108	5,897,825

13.1 This represents receivable on account of group shared services.

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13.2 This represented receivable against overdue reverse repurchase transaction with another brokerage house. During the financial year ended June 30, 2013, the borrower had entered into a settlement agreement with the Company under which it acknowledged its liability to pay Rs. 114 million and the related mark-up and also paid Rs. 50 million against the release of certain shares held as collateral. The outstanding balance as at the previous reporting period was secured against certain shares listed on PSX and ten shops located at Fortress Stadium, Lahore. During the year ended June 30, 2015, these collaterals were sold by the Company. The remaining balance of Rs. 13.298 million has been written off during the year.

13.3 Expected credit loss allowance against other receivables	**Note**	**2025**	**2024**
		Rupees	
Opening balance		14,222,068	14,222,068
Charge for the year		-	-
Written off during the year	13.3.1	(14,222,068)	-
Reversal during the year		-	-
		(14,222,068)	-
Balance as at year end		-	14,222,068

13.3.1 During the current year, the Company has written off ECL against other receivables amounting to Rs. 14.222 million (2024: Nil).

13.4 The aging analysis of other receivables from related parties is disclosed in note 33.3.2 to the financial statements.

14 SHORT-TERM INVESTMENTS

14.1 Market Treasury Bills - at amortised cost

Tenor	Issue date	Maturity date	Face value: As at January 1, 2025	Face value: Purchased during the year	Face value: Sold / matured during the year	Face value: As at December 31, 2025	Carrying value as at December 31, 2025
			(Rupees)				
12 months	9-Jan-25	8-Jan-26	-	150,000,000	150,000,000	-	-
Total as at December 31, 2025							-
Total as at December 31, 2024							-

15 BANK BALANCES	**Note**	**2025**	**2024**
		Rupees	
Balances with banks in:			
- Current accounts		4,819,675	50,238,379
- Savings accounts	15.1	1,547,400,435	1,718,077,234
	15.2	1,552,220,110	1,768,315,613

15.1 These savings accounts carry mark-up at the rates ranging from 2.75% to 10.30% (2024: 5.87% to 13.50%) per annum.

15.2 This includes an amount of Rs. 1,399.875 million (2024: Rs. 1,672.313 million) representing clients' funds.

16 SHARE CAPITAL

16.1 Authorised share capital

2025	**2024**		**2025**	**2024**
Number of shares			**Rupees**	
		Ordinary shares		
80,500,000	80,500,000	Ordinary shares of Rs. 10 each	805,000,000	805,000,000
		Preference shares		
49,500,000	49,500,000	Preference shares of Rs. 10 each	495,000,000	495,000,000

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16.2 Issued, subscribed and paid-up share capital

16.2.1

2025	2024		2025	2024
----- Number of shares -----			--------------- Rupees --------------	
		Ordinary shares		
52,000,000	52,000,000	Ordinary shares of Rs. 10 each fully paid in cash	520,000,000	520,000,000
		Preference shares		
48,500,000	48,500,000	Preference shares of Rs. 10 each fully paid in cash	485,000,000	485,000,000

16.2.1.1 Reconciliation of number of ordinary and preference shares has not been shown as there is no movement during the year.

17 SURPLUS ON REMEASUREMENT OF FINANCIAL ASSETS - NET	**Note**	**2025**	**2024**
		--------------- Rupees --------------	
Opening surplus on remeasurement of investments classified as financial assets 'at fair value through other comprehensive income'		44,481,546	16,173,396
Unrealised gain recognised during the year	6.1	30,824,786	28,308,150
Closing surplus on remeasurement of investments classified as financial assets 'at fair value through other comprehensive income'		75,306,332	44,481,546

18 RETIREMENT BENEFIT OBLIGATIONS - NET

18.1 DEFINED BENEFIT PLAN - GRATUITY FUND

The Company operates an approved gratuity fund (funded) for all eligible employees. Annual contributions are made to the fund on the basis of actuarial recommendations. The gratuity scheme is governed under the Sindh Trusts Act, 2020, Trust Deed, Rules of the Fund, the Companies Act, 2017, the Income Tax Ordinance, 2001 and the Income Tax Rules, 2002.

18.1.1 The Company is exposed to the following risks on account of gratuity fund:

Final salary risks

The risk that the final salary at the time of cessation of service is greater than what was assumed. Since the benefit is calculated on the final salary, the benefit amount would also increase proportionately.

Discount rate fluctuation

The plan liabilities are calculated using a discount rate set with reference to corporate bond yields. A decrease in corporate bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the current plan's bond holdings.

Investment risks

The risk of the investment underperforming and not being sufficient to meet the liabilities. The risk is mitigated by closely monitoring the performance of investments.

Mortality risks

The risk that the actual mortality experience is different. The effect depends on the beneficiaries' service / age distribution and the benefit.

Withdrawal risks

The risk of higher or lower withdrawal experience than assumed. The final effect could go either way depending on the beneficiaries' service / age distribution and the benefit.

The Company manages such risks by making regular contributions in the defined benefit plan and investing such contributions in investment avenues that are low risk. This aims to reduce the volatility in the funds' funding position and identifying any funding gaps which are met by way of contribution.

18.1.2 Principal actuarial assumptions

Actuarial valuation is carried out every year and the latest valuation was carried out as at December 31, 2025. The information provided in notes has been obtained from the actuarial valuation carried out as at December 31, 2025. The following significant assumptions have been used for valuation of the fund:

	2025	2024
Discount rate used for year end obligation	11.50%	12.25%
Expected rate of increase in salary level		
- For next year	15.00%	15.00%
- For subsequent years	11.00%	11.25%
Mortality rates	SLIC 2001 - 2005	SLIC 2001 - 2005

18.1.3 Amounts recognised in the statement of financial position

	Note	2025	2024
		Rupees	
Present value of defined benefit obligation	18.1.4	61,139,809	47,778,685
Less: fair value of plan assets	18.1.5	(60,905,570)	(47,616,158)
Net liability		234,239	162,527

18.1.4 Movement in the present value of defined benefit obligation

	2025	2024
Opening	47,778,685	31,117,496
Current service cost	5,377,913	3,285,734
Past service cost	-	699,770
Interest cost	5,630,516	4,812,716
Remeasurement loss		
- due to changes in demographic assumptions	-	755,639
- due to changes in financial assumptions	5,028,883	1,169,765
- due to changes in experience adjustments	954,383	6,072,994
Benefits paid	(3,630,571)	(135,429)
Closing	61,139,809	47,778,685

18.1.5 Movement in fair value of plan assets

	2025	2024
Opening	47,616,158	31,965,178
Contributions	12,189,716	9,068,717
Interest income on plan assets	5,622,227	5,646,932
Benefits paid	(3,630,571)	(135,429)
Remeasurement (loss) / gain on plan assets	(891,960)	1,070,760
Closing	60,905,570	47,616,158

18.1.6 Movement in net liability in the statement of financial position

	Note	2025	2024
Opening		162,527	(847,682)
Expense for the year	18.1.7	5,386,202	3,151,288
Remeasurements chargeable in other comprehensive income	18.1.8	6,875,226	6,927,638
Contributions		(12,189,716)	(9,068,717)
Closing		234,239	162,527

18.1.7 Amount recognised in the statement of profit or loss

	2025	2024
Current service cost	5,377,913	3,285,734
Past service cost	-	699,770
Interest cost	5,630,516	4,812,716
Interest income on plan assets	(5,622,227)	(5,646,932)
	5,386,202	3,151,288

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18.1.8	Remeasurement loss recognised in the statement of comprehensive income	2025	2024
		Rupees	
	Actuarial loss from changes in demographic assumptions	-	755,639
	Actuarial loss from changes in financial assumptions	5,028,883	1,169,765
	Experience adjustments	954,383	6,072,994
	Return on plan assets	891,960	(1,070,760)
		6,875,226	6,927,638

18.1.9 Sensitivity analysis

The impact of 1% change in the following variables on defined benefit obligation is as follows:

	Change in assumption	As at December 31, 2025 Impact on defined benefit obligation (Decrease) / increase in present value of defined benefit obligation		As at December 31, 2024 Impact on defined benefit obligation (Decrease) / increase in present value of defined benefit obligation	
		%	Amount (Rupees)	%	Amount (Rupees)
Discount rate	+1%	-9.64%	(5,891,483)	-8.68%	(4,146,476)
	-1%	11.09%	6,780,415	9.85%	4,706,528
Long term salary increase rate	+1%	11.20%	6,848,577	10.01%	4,780,924
	-1%	-9.91%	(6,058,019)	-8.97%	(4,285,524)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the gratuity liability.

18.1.10 Based on the actuarial advice, the Company intends to charge an amount of approximately Rs. 6.698 million in the financial statements in respect of the gratuity fund (funded) for the year ending December 31, 2026.

18.1.11 The weighted average duration of defined benefit obligation is 10 years.

18.1.12 Expected maturity analysis of undiscounted obligation

	Less than a year	Between one to two years	Between two to five years	Over five years	Total
	Rupees				
Undiscounted payments	3,741,246	3,837,403	12,179,593	648,391,340	668,149,582

18.1.13 The information provided in notes 18.1.2 to 18.1.12 has been obtained from the details provided by the actuary of the Company.

18.1.14 Composition of plan assets	December 31, 2025 Rupees	December 31, 2025 Percentage	December 31, 2024 Rupees	December 31, 2024 Percentage
Balances with banks	60,905,570	100%	47,616,158	100.00%

18.2 DEFINED CONTRIBUTION PLAN - EMPLOYEES' PROVIDENT FUND

18.2.1 During the year, an amount of Rs. 6.444 million (2024: Rs. 5.291 million) has been charged to the statement of profit or loss in respect of the Company's contributions to the employees' provident fund.

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

19	LEASE LIABILITIES AGAINST RIGHT-OF-USE ASSETS	2025	2024
		Rupees	
	Lease liability against right-of-use assets	23,080,103	6,921,607
	Less: current portion	(5,157,863)	(2,775,542)
		17,922,240	4,146,065

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		Note	2025	2024
19.1	The movement in lease liabilities against right-of-use assets is as follows:		---------- Rupees	----------
	Opening balance		6,921,607	9,117,377
	Additions during the year			
	- motor vehicles		20,739,187	-
	Interest expense for the year	26	1,928,669	1,796,089
	Interest payments (presented as operating cash flows)		(1,928,669)	(1,796,089)
	Payments made during the year		(4,580,691)	(2,195,770)
	Closing balance		23,080,103	6,921,607

19.2 Amounts recognised in the statement of profit or loss

	Note	2025	2024
Interest expense on lease liabilities	26	1,928,669	1,796,089
Expense relating to short-term leases (included in cost of services and administrative and general expenses)		14,582,661	10,774,199
Total amount recognised in statement of profit or loss		16,511,330	12,570,288

19.3 Cash outflow for leases

The Company has total cash outflows for leases amounting to Rs. 14.23 million (2024: Rs. 3.992 million). The future cash outflows relating to leases that have not yet commenced are disclosed in note 33.4 to these financial statements.

		Note	2025	2024
20	TRADE AND OTHER PAYABLES		---------- Rupees	----------
	Payable against sale of marketable securities	20.1	1,387,150,538	1,732,075,111
	Payable to National Clearing Company of Pakistan Limited		25,029,648	-
	Payable against profit on unutilised funds	20.2	16,202,865	11,184,083
	Payable to related party	20.3	10,373,547	697,061
	Accrued expenses		7,545,637	14,247,927
	Provision for leave encashment	20.4	3,331,791	4,440,563
	Commission payable		15,288,000	8,650,211
	Withholding tax payable		12,422,234	5,170,888
	Sales tax payable		5,299,755	10,545,360
	Provision for bonus	20.5	41,377,408	43,000,000
	Other payables	20.6	39,270,778	39,206,756
			1,563,292,201	1,869,217,960

20.1 This includes amounts due to related parties and key management personnel amounting to Rs. 20.178 million and Rs. 2.582 million (2024: Rs. 1.376 million and Rs. 0.575 million) respectively.

20.2 This includes profit payable to related parties amounting to Rs. 0.077 million (2024: Rs. 0.376 million).

20.3 This represents amount payable under Group Shared Services (GSS) agreement on account of sharing of common expenses.

		2025	2024
20.4	Movement in provision for leave encashment is as follows:	---------- Rupees	----------
	Opening	4,440,563	6,985,991
	Reversal of provision for the year	-	(2,347,255)
	Less: payment made during the year	(1,108,772)	(198,173)
	Closing	3,331,791	4,440,563

20.4.1 A provision is recognised for expected leave encashment to be paid based on past experience of the leave balance available. Assumptions used to calculate the provision for leave encashment were based on current salary levels and leave balance available.

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		2025	2024
20.5	Movement in provision for bonus is as follows:	------------- **Rupees** -------------	
	Opening	43,000,000	29,500,000
	Charge for the year	43,350,611	42,669,946
	Less: payment made during the year	(44,973,203)	(29,169,946)
	Closing	41,377,408	43,000,000

20.5.1 A provision for bonus is recognised which is based on the profitability of the Company and management's judgment and estimation.

20.6 This includes insurance expense payable to a related party amounting to Rs. 0.489 million (2024: Nil).

21 CONTINGENCIES AND COMMITMENTS

21.1 During financial year 2013, audit proceedings under section 177 of the Income Tax Ordinance, 2001 in relation to the Tax Year 2010 were concluded by the Deputy Commissioner Inland Revenue (DCIR) which led to an eventual tax demand of Rs. 6.672 million. The DCIR disallowed certain expenses claimed by the Company as well as claim of exempt capital gain on sale of listed securities, treated certain trade debtors as trade creditors and treated the difference between the amount of salaries as per the annual statement filed under section 165 of the Income Tax Ordinance, 2001 and that disclosed in the financial statements as unexplained expenditure. The Company had filed an appeal with the Commissioner Inland Revenue (Appeals) (CIR(A)) against the said demand which was heard by the Commissioner. During the year ended June 30, 2014, the Commissioner passed an order under which the Company had been allowed certain expenses which were disallowed by DCIR in earlier assessment. DCIR had filed an appeal in Appellate Tribunal Inland Revenue (ATIR) against the said order. The management also filed a second appeal before ATIR. During the year ended June 30, 2017, ATIR in its Order dated May 31, 2017 had remanded back the matter to DCIR, with a direction to ascertain the true facts of the disallowed matters, rejected the appeal of the tax department and upheld the findings of CIR(A). The findings of CIR(A) included remanding back the matter to DCIR of treating certain trade debtors as trade creditors and of treating the difference in the amount of salaries as unexplained expenditure and allowing appeal of the Company that it was not heard by the DCIR before disallowance of the expenses. The Company has submitted an application to the Deputy Commissioner Inland Revenue to give the appeal effect of these matters at the earliest. The management based on its legal advisor opinion, is confident of a favourable outcome of the petition and accordingly, no provision has been recorded in these financial statements.

21.2 During the financial year ended June 30, 2012, a brokerage house filed a lawsuit against the Company in the Sindh High Court (SHC) for recovery of Rs. 18.433 million together with mark-up on debit balances outstanding in its books and records on account of various transactions. Initially, the Company had filed a counter affidavit against the application filed by the Complainant to seek an interim order. During the financial year ended June 30, 2013, the Company filed a written Statement in this lawsuit, while the Plaintiff filed a rejoinder to the counter affidavit filed by the Company. The Company also filed a lawsuit against the same brokerage house and an ex-official of the Company in the Sindh High Court to recover the outstanding balance appearing in the Company's books of account before provision. The Court has issued notices to the defendants. Both the management and the legal counsel are of the view that there is a reasonable probability of the Company's success in both lawsuits and accordingly, no provision has been recorded in these financial statements.

21.3 During the financial year ended June 30, 2010, one of the customers of the Company filed a lawsuit against the Company before the Sindh High Court for the recovery of Rs. 3.5 million along with damages of Rs. 100 million. The aforementioned lawsuit is counterblast to the Company's suit for recovery of Rs. 0.97 million along with liquidated damages at the rate of 24%, filed during the financial year ended June 30, 2010 before the Senior Civil Judge, Karachi South, which was subsequently transferred to the Sindh High Court at Karachi, on the Company's civil transfer application, moved under section 24 read with section 151 of Civil Procedure Code. Both the management and the legal counsel are of the view that there is a reasonable probability of the Company's success in both lawsuits and accordingly, no provision has been recorded in these financial statements.

21.4 During the financial year ended June 30, 2010, one of the customers of the Company had filed a lawsuit against the Company in the Court of Senior Civil Judge, Karachi South for the recovery of Rs. 12.6 million along with mark-up thereon. The said lawsuit is counterblast to the Company's suit for recovery of money, declaration and permanent injunction for recovery of Rs. 3.3 million along with liquidated damages at the rate of 24%, filed during the financial year ended June 30, 2009 before the Sindh High Court. Both the management and the legal counsel are of the view that there is a reasonable probability of the Company's success in both lawsuits and accordingly, no provision has been recorded in these financial statements.

21.5 During the year ended June 30, 2009, a brokerage house filed suit before the Honourable Civil Judge, Lahore for declaration and permanent injunction against the Company. The brokerage house filed a contempt petition and a petition under section 33 of the Arbitration Act against the Company before the Honourable Civil Judge, Lahore. Furthermore, the brokerage house also filed a civil revision before the Honourable Lahore High Court, Lahore Bench against an order passed by the learned Civil Judge wherein the learned Civil Judge was pleased to dismiss the temporary injunction granted to the brokerage house, the said order was also affirmed in appeal. Further, the Company has filed a suit for recovery for Rs. 53.062 million along with liquidated damages and a petition before National Accountability Bureau (NAB) against the brokerage house. Both the management and legal counsel are of the view that there is a reasonable probability of the Company's success in the lawsuit and accordingly, no provision has been recorded in these financial statements.

21.6 Commitments for operating lease amounts to Rs. 2.372 million (2024: Rs. 0.094 million).

21.7 There were no other material commitments as at December 31, 2025 and December 31, 2024.

		Note	2025	2024
22	**OPERATING REVENUE**		--------------- Rupees	--------------
	Brokerage from equity operations	22.1	626,449,811	392,699,439
	Brokerage from commodity operations		5,104,036	4,067,651
	Advisory and consultancy income		13,455,000	6,865,284
	Gross revenue		645,008,847	403,632,374
	Less: sales tax		(84,131,589)	(52,647,701)
	Net revenue		560,877,258	350,984,673
22.1	**Brokerage from equity operations**			
	Retail		536,798,628	350,065,497
	Institution		89,651,183	42,633,942
			626,449,811	392,699,439
	Less: sales tax		(81,710,845)	(51,221,666)
			544,738,966	341,477,773
23	**OTHER OPERATING REVENUE**			
	Profit on savings accounts	23.1	193,913,887	260,304,652
	Income on exposure deposits with NCCPL / Pakistan Stock Exchange Limited		25,701,771	21,268,111
	Dividend income		2,733,124	1,610,012
	CDC conversion charges and commission		11,244,951	5,174,219
	Amortisation of discount income		4,572,080	15,706,835
	Income from MTS exposure		324,453	504,057
	Income on Base Minimum Capital deposit		1,047,829	3,063,854
			239,538,095	307,631,740
23.1	**Profit on savings accounts**			
	Gross profit (including profit on unutilised funds of clients)		241,002,633	311,434,919
	Profit on unutilised funds of clients		(47,088,746)	(51,130,267)
	Net profit		193,913,887	260,304,652
24	**COST OF SERVICES**			
	Employee benefit cost	25.2	117,707,171	137,899,022
	Staff training		125,310	305,429
	Commission expense		102,960,256	52,846,780
	Insurance		3,616,147	2,121,231
	Repairs and maintenance		784,332	1,286,995
	Rent and rates		5,630,624	7,724,361
	Printing and stationery		1,626,620	705,150
	Postage and telephone		1,912,357	1,795,638
	Travelling and conveyance		3,389,961	2,068,939
	IT related expenses		12,497,447	18,631,723
	Utilities		1,182,927	4,613,254
	Fees and subscription including stock exchange, clearing house and CDC charges		41,135,651	23,858,161
	Marketing		2,775,336	12,665,174
	Entertainment		5,106,574	7,417,288
	Depreciation	4.5	16,414,261	8,861,700
	Amortisation	5.6	416,153	318,615
	Others		2,679,563	5,335,047
		25.1	319,960,690	288,454,507

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		Note	2025	2024
			---------------- Rupees --------------	
25	**ADMINISTRATIVE AND GENERAL EXPENSES**			
	Employee benefit cost	25.2	104,054,376	43,207,714
	Staff training		53,704	113,755
	Insurance		1,549,777	1,654,649
	Repairs and maintenance		907,958	388,703
	Auditor's remuneration	25.3	7,286,905	3,996,000
	Rent and rates		8,952,037	3,049,838
	Legal and professional charges		4,651,435	6,507,696
	Printing and stationery		46,345	437,611
	Postage and telephone		1,165,081	941,729
	Travelling and conveyance		50,650	411,102
	IT related expenses		3,886,113	3,367,931
	Utilities		5,825,002	2,182,449
	Entertainment		3,958,826	405,047
	Depreciation	4.5	7,034,683	6,400,023
	Amortisation	5.6	178,351	250,340
	Donation	25.4	-	10,730,629
	Others		6,882,922	5,336,342
		25.1	156,484,165	89,381,558

25.1 Certain common expenses (including salaries, allowances and other benefits, staff training, rentals, utilities, repair and maintenance and IT related expenses) are charged to the Company, which are shown under respective cost of services and administrative and general expenses accounts, in accordance with the Group Shared Services (GSS) Cost Allocation Review Memorandum, between the Company and the Holding Company. During the year, an amount of Rs. 16.658 million (2024: Rs. 13.130 million) was charged in respect of common expenses.

		Note	2025	2024
25.2	**Employee benefit cost**		--------------- Rupees -------------	
	Salaries, allowances and other benefits		216,375,345	177,955,448
	Charge for post employment benefits	18.1.7	5,386,202	3,151,288
			221,761,547	181,106,736
25.3	**Auditor's remuneration**			
	Audit fee		4,158,000	2,970,000
	Special certifications and other services		2,633,040	810,000
	Out of pocket expenses		495,865	216,000
			7,286,905	3,996,000

25.4 This includes donation amounting to Rs. 4.593 million (2024: Rs. 6.138 million) paid to Packages Foundation (a related party). None of the directors or their spouse have any interest in the Packages Foundation.

		Note	2025	2024
26	**FINANCIAL CHARGES**		--------------- Rupees -------------	
	Bank charges		734,523	698,569
	Interest on lease liability against right-of-use assets		1,928,669	1,796,089
	Mark-up on short term advance	26.1	9,095,782	-
			11,758,974	2,494,658

26.1 This includes commission of Rs. 0.307 million paid to IGI Investments (Pvt.) Limited at the rate of 0.2% of the market value of pledged shares which have been kept in order to obtain short term advance.

			2025	2024
27	**OTHER INCOME - NET**			
	Gain on disposal of property and equipment		551,757	4,510,226
	(Loss) / gain on sale of investments		(600,230)	53,476
	Others		80,217	251,205
			31,744	4,814,907

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28 LEVY AND TAXATION

	Note	2025	2024
		---------- Rupees ----------	
Levy	28.2	7,812,763	980,217
Current tax			
Current year		36,276,047	45,333,121
Prior year		4,266,705	417,846
		40,542,752	45,750,967
Deferred tax			
Current year		(38,773,312)	6,417,459
Prior year		(2,393,767)	301,202
		(41,167,079)	6,718,661
	28.1	7,188,436	53,449,845

28.1 Relationship between levy and tax expense with accounting profit

	2025	2024
Profit before levy and taxation	312,243,268	283,100,597
Tax rate (%)	29	29
Tax at enacted tax rate	90,550,548	82,099,173
Tax effect of super tax	-	4,023,527
Tax effect of levy	(8,771,702)	
Tax effect of income subject to alternate, minimum and final tax regime	(53,990,766)	(3,196,731)
Tax effect of income subject to separate block of income	-	1,808,146
Tax effect of tax credits	(3,120,637)	108,956
Tax effect of ECL charge against trade receivables, accrued mark-up and other receivables	(23,864,268)	(35,090,513)
Tax effect of adjustments in respect of prior year	1,872,938	719,048
Tax effect of permanent differences	4,512,323	1,314,964
Tax effect of charge in respect of doubtful debts	-	-
Others	-	1,663,275
	7,188,436	53,449,845

28.2 This represents minimum and final taxes paid under sections 150 and 233 of Income Tax Ordinance, 2001, representing levy in terms of requirements of IFRIC 21 and IAS 37.

29 EARNINGS PER SHARE - BASIC

	Note	2025	2024
Profit attributable to ordinary shareholders (Rupees)		305,054,832	229,650,752
Weighted average number of ordinary shares outstanding		52,000,000	52,000,000
Earnings per share - basic (Rupees)	29.1	5.866	4.416

29.1 EARNINGS PER SHARE - DILUTED

	2025	2024
Profit attributable to ordinary shareholders - diluted (Rupees)	305,054,832	229,650,752
Weighted average number of ordinary shares - basic	52,000,000	52,000,000
Effect of convertible preference shares	48,500,000	48,500,000
Weighted average number of ordinary shares outstanding - diluted	100,500,000	100,500,000
Earnings per share - diluted (Rupees)	3.035	2.285

30 NUMBER OF EMPLOYEES

	2025	2024
	---------- Number ----------	
Number of employees at the end of the year	62	58
Average number of employees during the year	61	51

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31 REMUNERATION OF THE CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES

The aggregate amounts charged in the financial statements for remuneration, including all benefits, to the Chief Executive Officer (CEO), Directors and Executives of the Company are as follows:

	2025			2024		
	Chief Executive Officer *	Director **	Other Executives	Chief Executive Officer	Director	Other Executives
	Rupees					
Managerial remuneration	15,285,531	2,775,719	33,326,466	12,087,081	4,802,764	22,850,212
Reimbursements / other allowances	5,152,473	1,602,917	20,897,222	2,651,972	1,428,998	13,690,098
Bonus	20,570,078	-	25,814,625	16,619,728	-	18,162,573
Housing	6,878,488	1,144,189	14,996,914	5,439,184	2,161,249	10,282,677
Utilities	1,528,553	254,264	3,332,642	1,208,700	480,276	2,285,038
Commission	-	-	24,081,908	-	-	10,002,391
Post-employment benefits	1,592,523	254,262	3,289,491	1,208,709	480,276	2,239,569
	51,007,646	6,031,351	125,739,268	39,215,374	9,353,563	79,512,558
Number of persons	1	1	16	1	1	12

* A portion of the remuneration of the CEO is charged to the Holding Company under Group Shared Services (GSS) agreement. During the year, an amount of Rs. 10.146 million (2024: Rs. 7.532 million) was charged to the Holding Company in this respect.

** During the period Faisal Jawed Khan (executive director) resigned from his directorship with effect from July 11, 2025.

31.1 The Chief Executive Officer and certain executives of the Company are provided with free use of Company owned and maintained vehicles.

31.2 Two of the directors do not take any remuneration from the Company.

32 RELATED PARTY BALANCES AND TRANSACTIONS

The Company has related party relationships with its Holding Company, associated undertakings, Babar Ali Foundation, directors and key management personnel. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, either directly or indirectly.

The Company in the normal course of business carries out transactions with various related parties at agreed / commercial terms and conditions. Amounts due to / from and other significant transactions, other than those as disclosed in notes 4.3, 9.1, 9.2.1, 13.1, 20.1, 20.2, 20.3, 20.6, 25.1 and 25.4 are as follows:

	2025			2024		
	Holding Company	Key management personnel	Other related parties and associates	Holding Company	Key management personnel	Other related parties and associates
Nature of transactions	Rupees					
Purchase of marketable securities for and on behalf of	2,630,866,875	608,811,433	2,050,086,243	2,342	381,026,431	1,382,027,874
Sale of marketable securities for and on behalf of	-	597,776,978	1,054,007,887	54,361,073	353,386,111	1,890,148,659
Brokerage income earned	3,946,300	1,679,470	4,791,989	81,545	1,151,852	5,451,665
Insurance expense paid	-	-	5,709,713	-	-	4,735,203
Insurance claim received	-	-	167,500	-	-	187,000
GSS reimbursements from	16,657,824	-	8,024,470	13,130,491	-	5,784,555
GSS reimbursements to	107,074	-	26,333,702	338,765	-	24,276,800
Rent expense	-	-	12,409,835	-	-	8,408,994
Donation paid	-	-	4,593,015	-	-	6,137,614
Dividend paid	-	-	14,550,000	-	-	14,550,000
Remuneration paid	-	177,641,989	-	-	124,152,941	-
Post employment benefits	-	5,136,276	-	-	3,928,554	-
Other benefits	-	5,610,696	-	-	-	-
Contribution paid	-	-	12,189,716	-	-	9,068,717

The maximum aggregate amount due from related parties outstanding during the year with reference to month-end balance aggregated to Rs. 132.124 million (2024: Rs. 278.507 million).

Particulars relating to the remuneration of the Chief Executive Officer and directors who are key management personnel are disclosed in note 31 to these financial statements.

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32.1 Following are the related parties with whom the Company had entered into transactions or have arrangement / agreement in place:

S. No.	Name of related party	Basis of association / relationship	Aggregate % of shareholding
1	IGI Holdings Limited	Holding Company	100%
2	IGI General Insurance Limited	Associate	N/A
3	IGI Life Insurance Limited	Associate	N/A
4	IGI Investments (Private) Limited	Associate	N/A
5	Perwin Babar Ali	Other related party	N/A
6	Syed Babar Ali	Other related party	N/A
7	Syed Hyder Ali	Other related party	N/A
8	Syeda Henna Babar Ali	Other related party	N/A
9	Babar Ali Foundation (BAF)	Other related party	N/A
10	Finex Securities Limited Staff Gratuity Fund	Other related party	N/A
11	Syed Abdul Wahab Mehdi	Key Management Personnel	N/A
12	Syed Raza Hussain Rizvi	Key Management Personnel	N/A
13	Iqra Sajjad	Key Management Personnel	N/A
14	Faisal Jawed Khan *	Key Management Personnel	N/A
15	Zaeem Haider Khan	Key Management Personnel	N/A
16	Abdullah Farhan	Key Management Personnel	N/A
17	Ahsan Iqbal	Key Management Personnel	N/A
18	Faraz Ullah Khan	Key Management Personnel	N/A
19	Farrukh Farooq	Key Management Personnel	N/A
20	Mansoor Ali Shah	Key Management Personnel	N/A
21	Muhammad Akif	Key Management Personnel	N/A
22	Muhammad Naveed	Key Management Personnel	N/A
23	Sakina	Key Management Personnel	N/A
24	Syed Muhammad Raza Rizvi	Key Management Personnel	N/A
25	Syeda Mahrukh Hameed	Key Management Personnel	N/A
26	Yasir Saleem	Key Management Personnel	N/A
27	IGI Finex Securities Limited Employees - Provident Fund	Other related party	N/A

* Faisal Jawed Khan (executive director) ceased to be a related party with effect from July 11, 2025.

33 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

33.1 Financial instruments by category

	2025		
	At amortised cost	At fair value through other comprehensive income	Total
Financial assets	---------- Rupees ----------		
Non-current assets			
Long-term investments	-	75,306,732	75,306,732
Long-term deposits	3,854,664	-	3,854,664
	3,854,664	75,306,732	79,161,396
Current assets			
Trade receivables - net	92,651,681	-	92,651,681
Deposits	695,741,204	-	695,741,204
Accrued mark-up - net	6,683,205	-	6,683,205
Other receivables	7,697,418	-	7,697,418
Bank balances	1,552,220,110	-	1,552,220,110
	2,354,993,618	-	2,354,993,618
	2,358,848,282	75,306,732	2,434,155,014

	2025	
	At amortised cost	Total
Financial liabilities	---------- Rupees ----------	
Trade and other payables	1,500,861,013	1,500,861,013
Lease liabilities against right-of-use assets	23,080,103	23,080,103
	1,523,941,116	1,523,941,116

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Financial assets	At amortised cost	At fair value through other comprehensive income	Total
	2024		
	----------	Rupees	----------
Non-current assets			
Long-term investments	-	44,481,946	44,481,946
Long-term deposits	14,329,664	-	14,329,664
	14,329,664	44,481,946	58,811,610
Current assets			
Trade receivables - net	111,582,061	-	111,582,061
Deposits	563,107,007	-	563,107,007
Accrued mark-up - net	12,389,193	-	12,389,193
Other receivables	5,817,319	-	5,817,319
Bank balances	1,768,315,613	-	1,768,315,613
	2,461,211,193	-	2,461,211,193
	2,475,540,857	44,481,946	2,520,022,803

Financial liabilities	At amortised cost	Total
	2024	
	---------- Rupees	----------
Trade and other payables	1,806,061,149	1,806,061,149
Lease liability against right-of-use assets	6,921,607	6,921,607
	1,812,982,756	1,812,982,756

33.2 Financial risk management

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

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

33.3 Credit risk

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

Exposure to credit risk

Credit risk of the Company arises principally from long-term deposits, trade receivables, deposits, accrued mark-up, other receivables and bank balances. The carrying amount of financial assets represents the maximum credit exposure. To reduce the exposure to credit risk, the Company has developed its own risk management policies and guidelines whereby clients are provided trading limits according to their worth and margins are collected and maintained from the clients. The management continuously monitors the credit exposure towards the clients and makes expected credit loss allowance against those balances considered doubtful of recovery.

The Company's policy is to enter into financial contracts in accordance with the internal risk management policies and investment and operational guidelines approved by the Board of Directors. Except for expected credit loss allowance made against trade debts amounting to Rs. 284.857 million (refer note 9.2), expected credit loss allowance made against accrued mark-up amounting to Rs. 34.558 million (refer note 12.1) and expected credit loss allowance made against other receivables amounting to Rs. 0.924 million (refer note 13.3), the Company does not expect to incur material credit losses on its financial assets. The maximum exposure to credit risk at the reporting date was as follows:

	2025	2024
	------------- Rupees -------------	
Long-term deposits	3,854,664	14,329,664
Trade receivables - net	92,651,681	111,582,061
Deposits	695,741,204	563,107,007
Accrued mark-up - net	6,683,205	12,389,193
Other receivables	7,697,418	5,817,319
Bank balances	1,552,220,110	1,768,315,613
	2,358,848,282	2,475,540,857

33.3.1 The aging for trade receivables, accrued mark-up and other receivables at the reporting date is as follows:

	2025			2024		
	Gross	Expected Credit Loss Allowance	Net	Gross	Expected Credit Loss Allowance	Net
	------------------ Rupees ------------------					
Past due 1 day - 30 days	71,850,250	-	71,850,250	99,066,343	-	99,066,343
Past due 31 days - 60 days	3,382,100	-	3,382,100	982,624	-	982,624
Past due 61 days - 90 days	1,907,182	-	1,907,182	1,723,119	-	1,723,119
More than 90 days	215,144,989	(185,067,527)	30,077,462	444,816,535	(416,719,542)	28,096,993
	292,284,521	(185,067,527)	107,216,994	546,588,621	(416,719,542)	129,869,079

The expected credit loss allowance in respect of above receivables has been made on debt amount exceeding the custody of equity securities held by the Company.

33.3.2 The aging for trade receivables and other receivables from related parties, past due but not impaired, at the reporting date is as follows:

	2025			2024		
	Gross	Expected Credit Loss Allowance	Net	Gross	Expected Credit Loss Allowance	Net
	------------------ Rupees ------------------					
Trade receivables						
Past due 1 day - 30 days	6,699	-	6,699	8,370,184	-	8,370,184
Past due 31 days - 60 days	5,119	-	5,119	42	-	42
Past due 61 days - 90 days	8,500	-	8,500	-	-	-
More than 90 days	83,771	-	83,771	4,477,346	(4,403,676)	73,670
	104,089	-	104,089	12,847,572	(4,403,676)	8,443,896
Other receivables						
Past due 1 day - 30 days	-	-	-	1,524,096	-	1,524,096
Past due 31 days - 60 days	1,533,284	-	1,533,284	8,364	-	8,364
Past due 61 days - 90 days	1,045,364	-	1,045,364	969,605	-	969,605
More than 90 days	2,884,301	-	2,884,301	1,174,406	-	1,174,406
	5,462,949	-	5,462,949	3,676,471	-	3,676,471

33.3.3 Bank balances

The analysis below summarises the credit quality of the Company's bank balances:

	2025	2024
	------------- Rupees -------------	
AAA	1,494,262,824	1,456,984,911
AA+	255,086	51,553,100
A+	8,303	10,000
AA-	57,247,675	259,356,439
Unrated	446,222	411,163
	1,552,220,110	1,768,315,613

33.3.4 Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Company's total credit exposure. The Company's portfolio of financial instruments is broadly diversified and transactions are entered into with diverse credit-worthy counterparties thereby mitigating any significant concentrations of credit risk.

Details of the industrial sector analysis of the trade receivables are as follows:

	2025		2024	
	Rupees	Percentage	Rupees	Percentage
Services (including insurance)	22,302,476	24.07%	2,497,774	4.54%
Banking, capital market and financial institutions	11,278,563	12.17%	10,008,034	18.17%
Individuals	59,070,642	63.76%	42,557,147	77.29%
	92,651,681	100.00%	55,062,955	100.00%

33.4 Liquidity risk

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

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

	2025				
	Carrying amount	Contractual cash flows	Upto three months	More than three months and upto one year	More than one year
Financial liabilities	Rupees				
Trade and other payables	1,500,861,013	1,500,861,013	1,500,861,013	-	-
Lease liability against right-of-use assets	23,080,103	30,029,245	2,024,175	5,565,949	22,439,121
	1,523,941,116	1,530,890,258	1,502,885,188	5,565,949	22,439,121

	2024				
	Carrying amount	Contractual cash flows	Upto three months	More than three months and upto one year	More than one year
Financial liabilities	Rupees				
Trade and other payables	1,806,061,149	1,806,061,149	1,806,061,149	-	-
Lease liability against right-of-use assets	6,921,607	8,715,562	991,446	2,974,338	4,749,778
	1,812,982,756	1,814,776,711	1,807,052,595	2,974,338	4,749,778

On the reporting date, the Company has bank balances of Rs. 1,552.22 million (2024: Rs. 1,768.316 million) as mentioned in note 15 to these financial statements.

33.5 Market risk

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

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

33.5.1 Currency risk

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. The Company, at present is not exposed to currency risk as its operations are geographically restricted to Pakistan and all transactions are carried out in Pakistani Rupees.

33.5.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's interest rate exposure arises from exposure deposits with NCCPL / PSX, base minimum capital deposit with PSX and bank balances in savings accounts.

At the reporting date, the interest rate risk profile of the Company's interest bearing financial instruments is:

	2025	2024	2025	2024
	Effective interest rate		Carrying amount	
Financial assets	---------- Percentage ----------		---------- Rupees ----------	
Exposure deposits with National Clearing Company of Pakistan Limited / Pakistan Stock Exchange Limited	6.24	12.52	683,123,367	556,727,377
Base minimum capital deposit with Pakistan Stock Exchange Limited	7.51	14.21	500,000	10,975,000
Bank balances in savings accounts	2.75 to 10.30	5.87 to 13.50	1,547,400,435	1,718,077,234
Total			2,231,023,802	2,285,779,611

The management of the Company estimates that a 1% decrease in the market interest rate, with all factors remaining constant, would decrease the Company's profit for the year before taxation by Rs. 22.310 million (2024: Rs. 22.858 million) and a 1% increase would result in an increase in the Company's profit before tax by the same amount. However, in practice, the actual results may differ from the sensitivity analysis.

33.5.3 Price risk

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

The Company is exposed to price risks because of investments held by the Company in shares of Pakistan Stock Exchange Limited. In case of 1% increase / decrease in the market price of the shares held, the other comprehensive income of the Company would be higher / lower by approximately Rs. 0.753 million (2024: Rs. 0.445 million).

33.6 Operational risk

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

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

The primary responsibility for the development and implementation of controls over operational risk rests with the Board of Directors. This responsibility encompasses the controls in the following areas:

- requirements for appropriate segregation of duties between various functions, roles and responsibilities;
- requirements for the reconciliation and monitoring of transactions;
- compliance with regulatory and other legal requirements;
- documentation of controls and procedures;
- requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified;
- ethical and business standards; and
- risk mitigation, including insurance where this is effective.

34 FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the reporting date. The estimated fair value of all other financial assets and liabilities is considered not to be significantly different from the respective book values.

Fair value hierarchy

International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Company to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

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

As at December 31, 2025 and December 31, 2024, the Company held the following financial instruments measured at fair value:

	2025		
	Level 1	Level 2	Level 3
	Rupees		
Financial assets classified 'at fair value through other comprehensive income'			
Quoted equity securities	75,306,732	-	-

	2024		
	Level 1	Level 2	Level 3
	Rupees		
Financial assets classified 'at fair value through other comprehensive income'			
Quoted equity securities	44,481,946	-	-

35 CAPITAL RISK MANAGEMENT

35.1 The primary objective of the Company's capital management is to maintain healthy capital ratios, strong credit rating and optimal capital structures in order to ensure ample availability of finance for its existing and potential investment projects, to maximise shareholder value and reduce the cost of capital. Net capital requirements of the Company are set and regulated by the Pakistan Stock Exchange Limited. These requirements are put into place to ensure sufficient solvency margins and are based on excess of current assets over liabilities as presented below.

NET CAPITAL BALANCE	Note	2025	2024
		Rupees	
Current assets			
Cash in hand		-	-
Cash deposit as margin with Pakistan Stock Exchange	35.1.1	678,095,740	556,323,840
Cash at bank:	35.1.2		
Bank balance pertaining to brokerage house		152,344,870	96,002,224
Bank balance pertaining to clients		1,399,875,240	1,672,313,389
Total bank balances		1,552,220,110	1,768,315,613
Trade receivables:	35.1.3		
Total receivables		92,651,681	55,062,955
Outstanding for more than fourteen days		(32,832,849)	(27,519,244)
Balance generated within fourteen days and not yet due		59,818,832	27,543,711
Investments in listed securities in the name of broker (Securities on the exposure list marked to market less 15% discount)		-	-
Securities purchased for client		-	-
Listed TFCs / Corporate bonds (Marked to market less 10% discount)		-	-
FIBs (Marked to market less 10% discount)		-	-
Treasury bill (at market value)		-	-
		2,290,134,682	2,352,183,164

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	Note	2025	2024
		--------------- Rupees -------------	
Current liabilities			
Trade payables:	35.1.4		
Book value		1,387,150,538	1,732,075,111
Less: overdue for more than 30 days		(537,022,303)	(397,577,557)
		850,128,235	1,334,497,554
Other liabilities (including trade payables overdue for more than 30 days)	35.1.5	693,292,181	482,213,509
		1,543,420,416	1,816,711,063
Net capital balance		746,714,266	535,472,101

35.1.1 Cash deposit as margin with Pakistan Stock Exchange Limited (PSX)

	2025	2024
Deposit with PSX - ready exposure	502,505,950	517,505,950
Deposit with PSX - future exposure	132,634,100	34,362,200
Deposit with PSX - MTS exposure	42,955,690	4,455,690
	678,095,740	556,323,840

35.1.2 Cash at bank

	2025	2024
Bank balances pertaining to brokerage house		
- current accounts - non interest bearing	1,457,675	9,430,398
- savings accounts	150,887,195	86,571,826
	152,344,870	96,002,224
Bank balances pertaining to clients		
- current accounts - non interest bearing	3,362,000	40,807,981
- savings accounts	1,396,513,240	1,631,505,408
	1,399,875,240	1,672,313,389
Total cash at bank	1,552,220,110	1,768,315,613

35.1.3 Trade receivables

	Note	2025	2024
Considered good			
Receivable from clients against purchase of marketable securities		78,215,291	40,626,565
Considered doubtful			
Receivable from clients against purchase of marketable securities		178,345,240	348,603,663
Expected credit loss allowance against trade receivables	35.1.3.1	(163,908,850)	(334,167,273)
		14,436,390	14,436,390
		92,651,681	55,062,955

35.1.3.1 ECL against trade receivables has been made after considering the market value of listed equity securities held in custody by the Company against respective customers' accounts.

35.1.4 Trade and other payables

	2025	2024
	--------------- Rupees -------------	
Trade payables over due within 30 days	850,128,235	1,334,497,554
Trade payables over due for more than 30 days	537,022,303	397,577,557
	1,387,150,538	1,732,075,111

35.1.5 Other liabilities essentially include payable against profit on unutilised funds, accrued expenses, withholding tax payable, provision for leave encashment, provision for bonus and other payables.

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

The Company finances its operations through equity (including preference shares) and management of its working capital with a view to maintain an appropriate mix between various sources of finance to minimise risk.

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36 LIQUID CAPITAL BALANCE

S. No.	Head of account	Value in Pak Rupees Rupees	Hair cut / adjustments	Net adjusted value Rupees
	1. Assets			
1.1	Property & equipment	136,442,409	100%	-
1.2	Intangible assets	18,599,897	100%	-
1.3	Investment in government securities	-	-	-
1.4	**Investment in debt securities**			
	If listed than:			
	i. 5% of the balance sheet value in the case of tenure upto 1 year.	-	5%	-
	ii. 7.5% of the balance sheet value, in the case of tenure from 1-3 years.	-	7.5%	-
	iii. 10% of the balance sheet value, in the case of tenure of more than 3	-	10%	-
	If unlisted than:			
	i. 10% of the balance sheet value in the case of tenure upto 1 year.	-	10%	-
	ii. 12.5% of the balance sheet value, in the case of tenure from 1-3 years.	-	12.5%	-
	iii. 15% of the balance sheet value, in the case of tenure of more than 3	-	15%	-
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. (Provided that if any of these securities are pledged with the securities exchange for base minimum capital requirement, 100% haircut on the value of eligible securities to the extent of minimum required value of Base Minimum Capital)	75,306,732	100%	-
	ii. If unlisted, 100% of carrying value.	-	100%	-
1.6	Investment in subsidiaries	-	100%	-
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.	-	100%	-
	Statutory or regulatory deposits / basic deposits with the exchanges, clearing house or central depository or any other entity.			
1.8	100% of net value, however any excess amount of cash deposited with securities exchange to comply with requirements of Base Minimum Capital may be taken in the calculation of LC.	3,854,664	100%	500,000
1.9	Margin deposits with exchange and clearing house.	691,335,376	-	691,335,376
1.10	Deposit with authorised intermediary against borrowed securities under SLB.	-	-	-
1.11	Other deposits and prepayments	19,522,137	100%	-
1.12	Accrued interest, profit or mark-up on amounts placed with financial institutions or debt securities etc.	6,683,205	-	6,683,205
	100% in respect of mark-up accrued on loans to directors, subsidiaries and other related parties	-	100%	-
1.13	Dividends receivable	-	-	-
1.14	Amounts receivable against repo financing - Amount paid as purchaser under the repo agreement (*Securities purchased under repo arrangement shall not be included in the investments.*)	-	-	-
1.15	**Advances and receivables other than trade receivables**			
	(i) No haircut may be applied on the short term loan to employees provided these loans are secured and due for repayments within 12 months.	-	-	-
	(ii) No haircut may be applied to the advance tax to the extent it is netted with provision of taxation.	93,227,031	-	93,227,031
	(iii) In all other cases, 100% of net value.	9,047,566	100%	-

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S. No.	Head of account	Value in Pak Rupees Rupees	Hair cut / adjustments	Net adjusted value Rupees
1.16	**Receivables from clearing house or securities exchange(s)**			
	100% value of claims other than those on account of entitlements against trading of securities in all markets including MtM gains.	-	-	-
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 finance (iii) market value of any securities deposited as collateral after applying VaR based haircut; i. Lower of net balance sheet value or value determined through adjustments.	-	-	-
	ii. Incase receivables are against margin trading, 5% of the net balance sheet value; ii. Net amount after deducting haircut.	-	5%	-
	iii. Incase receivables are against securities borrowings under SLB, the amount paid to NCCPL as collateral upon entering into contract; iii. Net amount after deducting haircut.	-	-	-
	iv. Incase of other trade receivables not more than 5 days overdue, 0% of the net balance sheet value; iv. Balance sheet value.	45,538,874	-	45,538,874
	v. Incase of other trade receivables are overdue, or 5 days or more, the aggregate of (i) the market value of securities purchased for customers and held in sub-accounts after applying VAR based haircuts, (ii) cash deposited as collateral by the respective customer and (iii) the market value of securities held as collateral after applying VaR based haircuts; v. Lower of net balance sheet value or value determined through adjustments.	47,008,718	3,237,710,570	47,008,718
	vi. In the case of amount of receivables from related parties, values determined after applying applicable haircuts on underlying securities readily available in respective CDS account of the related party in the following manner (a) Up to 30 days, values determined after applying var based haircuts. (b) Above 30 days but upto 90 days, values determined after applying 50% or var based haircuts whichever is higher. (c) above 90 days 100% haircut shall be applicable; vi. Lower of net balance sheet value or value determined through adjustments.	104,089	297,148,273	104,089
1.18	**Cash and bank balances**			
	i. bank balance - proprietary accounts	152,344,870	-	152,344,870
	ii. bank balance - customer accounts	1,399,875,240	-	1,399,875,240
	iii. cash in hand	-	-	-
1.19	**Subscription money against investment in IPO / offer for sale (asset)**			
	(i) No haircut may be applied in respect of amount paid as subscription money provided that shares have not been allotted or are not included in the investments of securities broker.	-	-	-
	(ii) In case of Investment in IPO where shares have been allotted but not yet credited in CDS Account, 25% haircuts will be applicable on the value of such securities.	-	-	-
	(iii) In case of subscription in right shares where the shares have not yet been credited in CDS account, 15% or VAR based haircut whichever is higher, will be applied on right shares.	-	-	-
1.20	**Total assets**	**2,698,890,808**		**2,436,617,403**

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S. No.	Head of account	Value in Pak Rupees Rupees	Hair cut / adjustments	Net adjusted value Rupees
	2. Liabilities			
2.1	**Trade payables**			
	i. Payable to exchanges and clearing house	25,029,648	-	25,029,648
	ii. Payable against leveraged market products	-	-	-
	iii. Payable to customers	1,387,150,538	-	1,387,150,538
2.2	**Current liabilities**			
	i. Statutory and regulatory dues	-	-	-
	ii. Accruals and other payables	151,112,015	-	151,112,015
	iii. Short-term borrowings	-	-	-
	iv. Current portion of subordinated loans	-	-	-
	v. Current portion of long term liabilities	5,157,863	-	5,157,863
	vi. Deferred liabilities	-	-	-
	vii. Provision for taxation	-	-	-
	viii. Other liabilities as per accounting principles and included in the financial statements	-	-	-
2.3	**Non-current liabilities**			
	i. Long-term financing	17,922,240	100%	-
	ii. Staff retirement benefits	234,239	-	234,239
	iii. Other liabilities as per accounting principles and included in the financial statements	-	-	-
	Note: (a) 100% haircut may be allowed against long term portion of financing obtained from a financial institution including amount due against finance leases. (b) Nil in all other cases			
2.4	**Subordinated loans**			
	i. 100% of subordinated loans which fulfill the conditions specified by SECP are allowed to be deducted.	-	-	-
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 authorised share capital allows the proposed enhanced share capital	-	-	-
	b. Board of Directors of the company has approved the increase in capital	-	-	-
	c. Relevant Regulatory approvals have been obtained	-	-	-
	d. There is no unreasonable delay in issue of shares against advance and all regulatory requirements relating to the increase in paid up capital have been completed.	-	-	-
			-	
	e. Auditor is satisfied that such advance is against the increase of capital.	-	-	-
2.6	**Total liabilities**	**1,586,606,543**		**1,568,684,303**
	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 finances 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	-	-	-
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)	-	-	-

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S. No.	Head of account	Value in Pak Rupees Rupees	Hair cut / adjustments	Net adjusted value Rupees
3.3	**Net underwriting commitments**			
	(a) in the case of right issues: if the market value of securities is less than or equal to the subscription price; the aggregate of: (i) the 50% of haircut multiplied by the underwriting commitments and (ii) the value by which the underwriting commitments exceeds the market price of the securities. In the case of rights issues where the market price of securities is greater than the subscription price, 5% of the Haircut multiplied by the net underwriting commitment.	-	-	-
	(b) in any other case: 12.5% of the net underwriting commitments	-	-	-
3.4	**Negative equity of subsidiary**			
	The amount by which the total assets of the subsidiary (excluding any amount due from the subsidiary) exceeds 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	-	-	-
3.7	**Repo adjustment**			
	In the case of financier / purchaser the total amount receivable under Repo less the 110% of the market value of underlying 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.	-	-	-
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**	-		-
		1,112,284,265	**Liquid Capital**	**867,933,100**

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		Note	2025	2024
37	**CAPITAL ADEQUACY LEVEL**		---------------- Rupees --------------	
	Total assets	37.1	2,758,200,326	2,732,444,577
	Less: Total liabilities		(1,586,606,543)	(1,876,302,094)
	Less: Revaluation reserves (created upon revaluation of fixed assets)		-	-
	Capital Adequacy Level		1,171,593,783	856,142,483

37.1 While determining the value of the total assets of the TREC Holder, notional value of the TRE certificate is considered, which was determined as Nil, for IGI Finex Securities Limited as at December 31, 2025 by the Pakistan Stock Exchange Limited.

38 DISCLOSURE UNDER REGULATION 5(4) OF RESEARCH ANALYST REGULATIONS, 2015

As a securities broker, the Company also issues research reports on securities listed on Pakistan Stock Exchange Limited. As at December 31, 2025, the Company has employed 3 individuals in its research department, including the Head of Research. All team members report directly to the Head of Research, who, in turn, reports to the CEO.

The compensation structure for research analysts employed by the Company is based on the qualifications, experience, and skill set and no employee is provided compensation based on the content or outcome of their research reports.

The total salary for the year ended December 31, 2025 of the employees in the Research Department amounted to Rs. 9.727 million (2024: Rs. 8.877 million), which includes basic salary and other allowances as per Company's policy.

39 FINANCIAL INSTRUMENTS WITH OFF BALANCE SHEET RISKS

a) The Company purchases and sells securities as either principal or agents on behalf of its customers. If either the customer or a counterparty fails to perform, the Company may be required to discharge the obligation on behalf of the non-performing party. In such circumstances, the Company may sustain losses if the market value of the security is different from the contracted value of the transaction less any margin deposits that the Company has on hand. Where the customer operates through institutional delivery system, the Company is not exposed to this risk.

   The majority of the Company's transactions, and consequently, the concentration of its credit exposure are with the customers and other financial institutions. The Company seeks to control its credit risk through a variety of reporting and controls procedures, including establishing credit limits based upon a review of the counterparties' financial condition. The Company monitors collateral levels on a regular basis and requests changes in collateral level as appropriate or if considered necessary.

b) The Company enters into security transactions on behalf of its customers involving future settlement. The Company has entered into transactions that gives rise to future settlement, the unsettled amount as on December 31, 2025 of these future transactions is Nil (2024: Nil). Transactions involving future settlement give rise to market risk, which represents the potential loss that can be caused by a change in the market value of a particular financial instrument. The credit risk for these transactions is limited to the unrealised market valuation losses which have been recorded in the statement of accounts of the customers. As explained above, credit risk is controlled through a variety of reporting and controls procedures.

40 DATE OF AUTHORISATION

These financial statements were authorised for issue on March 12, 2026 by the Board of Directors of the Company.

41 NON-ADJUSTING EVENT AFTER THE REPORTING DATE

The Board of Directors of the Company have proposed a final dividend pertaining to preference shareholders for the year ended December 31, 2025 of Rs. 0.30 per share amounting to Rs. 14,550,000 at their meeting held on March 12, 2026 for approval of members at the Annual General Meeting to be held on April 24, 2026. These financial statements do not reflect this dividend payable.

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42 GENERAL

42.1 Figures have been rounded off to the nearest Rupees, unless otherwise stated.

42.2 Corresponding figures have been reclassified and rearranged in these financial statements, wherever necessary, for the purpose of better presentation. There were no material reclassifications during the year.

CHIEF EXECUTIVE OFFICER

DIRECTOR

IGI
Securities
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IGI Finex Securities Limited
Pattern of holding of the shares held by the Shareholders as at December 31, 2025.
The Companies Act, 2017 (Section 227 (2) (f)

Number of Shareholders	Shareholding's Slab			Total Shares Held
3	1	to	3	3
1	4	to	52,000,000	51,999,997
4		Total		52,000,000

S.No.	Categories of Shareholders	Shares held	Percentage
1	Directors, Chief Executive Officer, and their spouse and minor children	3	0.01%
2	Associated Companies, undertakings and related parties.	51,999,997	99.99%
3	NIT and ICP	-	0.00%
4	Banks Development Financial Insititutions, Non Banking Financial Institutions.	-	0.00%
5	Insurance Companies	-	0.00%
6	Modarabas and Mutual Funds	-	0.00%
7	Shareholders holding 10%	51,999,997	99.99%
8	General Public		
	a. Local	-	0.00%
	b. Foreign	-	0.00%
9	Others	-	0.00%
	Total (excluding : share holder holding 10%)	52,000,000	100%

IGI Finex Securities Limited
Trading Rights Entitlement Certificate (TREC) Holder of
Pakistan Stock Exchange Limited Corporate member of
Pakistan Mercantile Exchange Limited (BRC-020)

Email: info@igi.com.pk
Website: www.igisecurities.com.pk

Head Office
Suite No. 701-713, 7th Floor, The Forum,
G-20, Khayaban-e-Jami, Block-09,
Clifton, Karachi-75600
UAN: (+92-21) 111-444-001

Lahore Office
Shop No. G-009, Ground Floor,
Packages Mall, Lahore.
Tel: (+92-42) 38303560-9

Lahore Office
Office No. 1A North Tower,
Mezzanine Floor, LSE Plaza, Lahore.
Tel: (+92-42) 38303560-9

Islamabad Office
3rd Floor, 85 East, Kamran Center,
Jinnah Avenue, F-7/G-7, Blue Area,
Islamabad
Tel: (+92-51) 2604861-2, 2604864, 2273439

Faisalabad Office
Office No. 2, 5 & 8, Ground Floor,
The Regency International 949,
The Mall, Faisalabad.
Tel: (+92-41) 2540843-45

Rahim Yar Khan Office
Basement of Khalid Market, Building # 12
Town Hall Road, Rahim Yar Khan
Tel: (+92-68) 5871652-53

Multan Office
Mezzanine Floor, Abdali Tower,
Abdali Road, Multan
Tel: (+92-61) 4512003, 4571183

A Packages Group Company

IGI Securities

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IGI Finex Securities Limited

Pattern of holding of the shares held by the Shareholders as at December 31, 2025.

The Companies Act, 2017 (Section 227 (2) (f)

CATEGORIES OF SHAREHOLDERS	SHAREHOLDERS	SHARES HELD	PERCENTAGE
Directors and their spouse(s) and minor children Names: 1. Syed Abdul Wahab Mehdi 2. Syed Raza Hussain Rizvi 3. Iqra Sajjad	Directors	1 1 1	0.000001923% 0.000001923% 0.000001923%
Associated Companies, Undertakings and Related Parties	Nil	-	0%
Executives	Nil	-	0%
Public Sector Companies and Corporations	Nil	-	0%
Banks, Development Finance Institutions, Non-Banking Finance Companies, Insurance Companies, Takaful, Modarabas and Pension Funds	Nil	-	0%
Others	IGI Holdings Limited	51,999,997	99.999994231%
Total		**52,000,000**	**100.000000000%**

Shareholders holding 5% or more

Name	Shares Held	Percentage
IGI Holdings Limited	51,999,997	99.999994231%

IGI
Securities
SERVING YOU SINCE 1994

STATEMENT OF COMPLIANCE UNDER CLAUSE 9 OF CORPORATE GOVERNANCE CODE FOR SECURITIES BROKERS UNDER REGULATION 16(1)(F)

In compliance of clause 9 of corporate governance code for securities brokers under regulation 16(1)(f) of Securities Brokers (Licensing and Operations) Regulations, 2016, there are no transactions entered into by the Broker during the year, which are fraudulent, illegal or in violation of any securities laws.

IGI FINEX SECURITIES LTD. KARACHI

Chief Executive Officer

IGI Finex Securities Limited
Trading Rights Entitlement Certificate (TREC) Holder of Pakistan Stock Exchange Limited Corporate member of Pakistan Mercantile Exchange Limited (BRC-020)

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Website: www.igisecurities.com.pk

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Clifton, Karachi-75600
UAN: (+92-21) 111-444-001

A Packages Group Company

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Islamabad Office 3rd Floor, 85 East, Kamran Center, Jinnah Avenue, F-7/G-7, Blue Area, Islamabad Tel: (+92-51) 2604861-2, 2604864, 2273439	Faisalabad Office Office No. 2, 5 & 8, Ground Floor, The Regency International 949, The Mall, Faisalabad. Tel: (+92-41) 2540843-45
Rahim Yar Khan Office Basement of Khalid Market, Building # 12 Town Hall Road, Rahim Yar Khan Tel: (+92-68) 5871652-53	Multan Office Mezzanine Floor, Abdali Tower, Abdali Road, Multan Tel: (+92-61) 4512003, 4571183

STATEMENT OF COMPLIANCE UNDER CLAUSE 10 OF CORPORATE GOVERNANCE CODE FOR SECURITIES BROKERS UNDER REGULATION 16(1)(F)

In compliance of clause 10 of corporate governance code for securities brokers under regulation 16(1)(f) of Securities Brokers (Licensing and Operations) Regulations, 2016, IGI Finex Securities Limited is in compliance with the requirements of Corporate Governance Code for securities brokers.

IGI FINEX SECURITIES LTD KARACHI

Company Secretary

IGI Finex Securities Limited
Trading Rights Entitlement Certificate (TREC) Holder of Pakistan Stock Exchange Limited Corporate member of Pakistan Mercantile Exchange Limited (BRC-020)

Email: info@igi.com.pk
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