

ABBASI & COMPANY
(PRIVATE) LIMITED
AUDIT REPORT
FOR THE YEAR ENDED JUNE 30, 2025



Parker Russell-A.J.S.
CHARTERED ACCOUNTANTS

33-A/1, Queens Road, Behind
Queens Centre, Lahore Pakistan
Tel: + 92 42 36299246, 36307841
E-mail: info@parkerrussellajs.com
URL: www.parkerrussellajs.com
Other Offices: Faisalabad,
Islamabad, Karachi & UK.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABBASI & COMPANY (PRIVATE) LIMITED

Report on the Audit of the Financial Statements

Opinion

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

Basis for Opinion

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

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 annual report, but does not include financial statements and our auditor's report thereon.

Our opinion on 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 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 material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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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.

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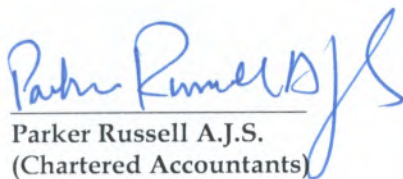
We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

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

- proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- 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 and are in agreement with the books of account and returns;
- investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- no Zakat was deductible at source under the Zakat and Ushr Ordinance 1980, (XVIII of 1980).
- The company was in compliance with the requirement of section 78 of the Securities Act, 2015 and section 62 of the Future Market Act, 2016 and the relevant requirements of Securities Broker (Licensing and Operations) Regulations, 2016 and the Futures Brokers (Licensing and Operations) Regulations, 2018 as at the date on which the financial statements were prepared.
- The Company was in compliance with the relevant requirements of Futures Brokers (Licensing and Operations Regulations), 2018 as at the date on which the statement of financial position was prepared.

The engagement partner on the audit resulting in this independent auditor's report is **Mr. Ali Ahmad**.


Parker Russell A.J.S.
(Chartered Accountants)



Place: Lahore
Date: October 03, 2025
UDIN: AR202510065jPCY7GVkM



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ABBASI & COMPANY (PRIVATE) LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2025

	Note	2025	2024
		Rupees	
ASSETS			
Non-current assets			
Property and equipment	6	208,956,278	210,242,221
Investment properties	7	660,261	-
Intangible assets	8	4,254,706	2,258,501
Long term investments	9	-	1,507,500
Long term deposits	10	5,561,700	5,361,700
Deferred tax assets	11	-	-
		219,432,945	219,369,922
Current assets			
Trade receivables - net	12	5,250,166	5,530,004
Advances, deposits and prepayments	13	21,859,427	30,247,538
Short term investments	14	71,538,489	62,754,679
Tax refunds due from government	15	7,334,168	7,334,994
Cash and cash equivalents	16	232,858,340	201,908,680
		338,840,590	307,775,895
Total assets		558,273,535	527,145,817
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized share capital		200,000,000	200,000,000
20,000,000 Ordinary shares of Rs. 10 each.			
Issued, subscribed and paid up share capital	17	70,110,000	70,110,000
Share premium	18	98,350,000	98,350,000
Capital reserve			
Fair value reserves		-	(1,074,807)
Revenue reserve			
General reserves	19	-	200,000,000
Unappropriated profit / (loss)		175,661,389	(20,013,359)
		344,121,389	347,371,834
Current liabilities			
Trade and other payables	20	214,152,146	179,773,983
		214,152,146	179,773,983
Contingencies and commitments	21	-	-
Total liabilities		214,152,146	179,773,983
Total equity and liabilities		558,273,535	527,145,817

The annexed notes from 1 to 39 form an integral part of these financial statements.

Chief Executive

Director

ABBASI & COMPANY (PRIVATE) LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
		Rupees	
Operating revenue	22	92,523,945	72,504,883
Realized loss on sale of investment at fair value through profit or loss (FVTPL)		(100,855)	(10,052,422)
Unrealized gain on remeasurement of investment at fair value through profit or loss (FVTPL)	14.1	758,807	14,462,110
Gross profit		93,181,897	76,914,571
Administrative and operating expenses	23	(106,933,507)	(98,041,674)
Operating loss		(13,751,610)	(21,127,103)
Other income	24	18,144,355	18,270,849
Finance costs	25	(1,007,853)	(509,503)
		17,136,502	17,761,346
Profit / (loss) before levies and tax		3,384,892	(3,365,757)
Minimum and final tax levies		(1,424,188)	(1,015,844)
Profit / (loss) before tax		1,960,704	(4,381,601)
Taxation	26	-	-
Profit / (loss) after tax		1,960,704	(4,381,601)
(Deficit) per share	27	0.280	(0.625)

The annexed notes from 1 to 39 form an integral part of these financial statements.

Muhammad Suhail
Chief Executive

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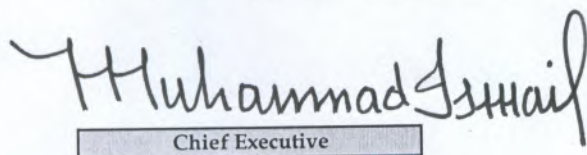
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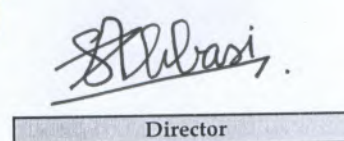
Director

ABBASI & COMPANY (PRIVATE) LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
		Rupees	
Profit / (loss) after tax		1,960,704	(4,381,601)
Other comprehensive income			
Items that may be subsequently reclassified to profit or loss		-	-
Items that will not be subsequently reclassified to profit or loss			
Unrealized loss on remeasurement of investments at fair value through other comprehensive income (FVOCI)	9.1	-	(824,916)
Net gain/ loss on sale of investments at fair value through other comprehensive income (FVOCI)	9.1	47,101	(3,690,500)
		47,101	(4,515,416)
Other comprehensive income / (loss)		47,101	(4,515,416)
Total comprehensive income / (loss) for the year		2,007,805	(8,897,017)

The annexed notes from 1 to 39 form an integral part of these financial statements.


Chief Executive


Director

ABBASI & COMPANY (PRIVATE) LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
		Rupees	
Cash flows from operating activities			
Profit / (loss) before tax		3,384,892	(3,365,757)
Adjustments for:			
Depreciation	6.1	8,998,560	9,021,562
Amortization	8.1	617,545	536,726
Charge / (reversal) of provision for expected credit loss	12.1	(298,045)	187,004
Gain on sale of property and equipment	24	(2,241,927)	(1,865,387)
Dividend income	24	(2,072,428)	(730,218)
Realised loss on sale of investment at FVTPL		100,855	10,052,422
Unrealised gain on remeasurement of investment at FVTPL	14.1	(758,807)	(14,462,110)
		4,345,753	2,739,999
Operating profit / (loss) before working capital changes		7,730,645	(625,758)
Effect of working capital changes			
<i>(Increase) / decrease in current assets</i>			
Trade receivables - net	12	577,883	(1,319,272)
Advances, deposits and prepayments	13	8,388,111	27,531,003
		8,965,994	26,211,731
<i>Increase / (decrease) in current liabilities</i>			
Trade and other payables	20	34,378,163	89,427,899
Cash generated from operations		51,074,802	115,013,872
Income tax and levies paid		(1,423,362)	(1,222,986)
Net cash inflows from operating activities		49,651,440	113,790,886
Cash flows from investing activities			
Payments for property, plant and equipment	6	(16,900,951)	(8,550,337)
Payment for intangible asset	8	(2,613,750)	-
Proceeds from sale of property, plant and equipment	6	10,770,000	4,425,000
Payment for long term deposits	10	(200,000)	-
Dividends received	24	2,072,428	730,218
Investment made in financial assets at FVTPL	14	(218,195,372)	(70,293,425)
Investment made in financial assets at amortized cost		-	(8,529,511)
Proceeds from sale of financial assets at FVTPL	14	210,069,514	57,299,825
Investment made in financial assets at FVOCI		-	(690,805)
Proceeds from sale of investment in financial assets at FVOCI	9	1,554,601	7,277,437
Net cash outflows from investing activities		(13,443,530)	(18,331,598)
Cash flows from financing activities			
Dividend paid		(5,258,250)	-
Net cash (outflows) / inflows from financing activities		(5,258,250)	-
Net increase in cash and cash equivalents		30,949,660	95,459,288
Cash and cash equivalents at the beginning of the year		201,908,680	106,449,392
Cash and cash equivalents at end of the year		232,858,340	201,908,680

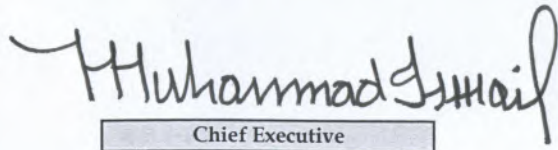
The annexed notes from 1 to 39 form an integral part of these financial statements.

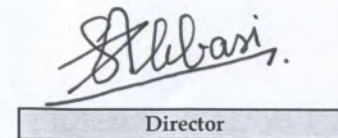
Chief Executive
Director

ABBASI & COMPANY (PRIVATE) LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2025

	Share capital		Capital reserve	Revenue reserve		Total share capital and reserves
	Issued, subscribed and paid up share capital	Share premium	Fair value reserves	General reserves	Unappropriated profit / (loss)	
	Rupees					
Balance as at July 01, 2023	70,110,000	98,350,000	(3,327,302)	200,000,000	(8,863,847)	356,268,851
Loss for the year	-	-	-	-	(4,381,601)	(4,381,601)
Other comprehensive loss for the year	-	-	(4,515,416)	-	-	(4,515,416)
Transferred to retained earnings on derecognition of financial instrument at fair value through other comprehensive income	-	-	6,767,911	-	(6,767,911)	-
Balance as at June 30, 2024	70,110,000	98,350,000	(1,074,807)	200,000,000	(20,013,359)	347,371,834
Balance as at July 01, 2024	70,110,000	98,350,000	(1,074,807)	200,000,000	(20,013,359)	347,371,834
Profit for the year	-	-	-	-	1,960,704	1,960,704
Other comprehensive income for the year	-	-	47,101	-	-	47,101
Dividend paid during the year	-	-	-	-	(5,258,250)	(5,258,250)
Transferred to retained earnings on derecognition of financial instrument at fair value through other comprehensive income	-	-	1,027,706	-	(1,027,706)	-
Transferred between reserves	-	-	-	(200,000,000)	200,000,000	-
Balance as at June 30, 2025	70,110,000	98,350,000	-	-	175,661,389	344,121,389

The annexed notes from 1 to 39 form an integral part of these financial statements.


Chief Executive


Director

ABBASI & COMPANY (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

1 Status and nature of business

Abbasi & Company (Private) Limited (the Company) was incorporated in Pakistan on February 13, 1999 as a Private Limited Company under the repealed Companies Ordinance, 1984 (repealed with the enactment of the Companies Act, 2017). The Company is a TREC holder of Pakistan Stock Exchange Limited (PSX) and has also acquired membership of the Pakistan Mercantile Exchange Limited (PMEX). The company is principally engaged in the business of brokerage, underwriting, buying and selling of stocks, shares and modaraba certificates etc. The registered office of the Company is situated at 6-Shadman, Lahore.

2 Basis of preparation

2.1 Basis of measurement

These financial statements have been prepared under the historical cost convention unless otherwise specifically stated, if any,

2.2 Statement of compliance

These financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan and the requirements of Companies Act, 2017. Approved accounting standards comprise of:

- International Financial Reporting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Islamic Financial Accounting Standards (IFASs) as issued by the Institute of Chartered Accountants of Pakistan (ICAP); and
- Provisions of and directives issued under the Companies Act, 2017.

Wherever, the requirements of the Companies Act, 2017 or directives issued by the Securities and Exchange Commission of Pakistan differs with the requirements of these accounting standards, the requirements of the Companies Act, 2017 or the requirements of the said directives shall prevail.

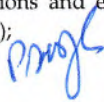
2.3 Functional and presentational currency

These financial statements have been prepared in Pakistani Rupees (PKR), which is the company's functional and presentational currency.

3 Use of judgments, estimates and assumptions

The preparation of financial statements in conformity with the accounting and reporting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Estimates and judgements are continually evaluated and are based on historic experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. In the process of applying the Company's accounting policies, the management has made the following estimates and judgements which are significant to the financial statements:

- assumptions and estimates used in determining the recoverable amount, residual values and useful lives of property and equipment (Note 6);
- assumptions and estimates used in determining the recoverable amount, residual values and useful lives of intangible assets (Note 8);
- deferred tax assets is recognised only to the extent that it is probable that future taxable profits will be available against which the assets may be utilised (Note 11);
- assumptions and estimates used in deriving fair value of long term investments (Note 9);
- assumptions and estimates used in calculating the provision for impairment for advances and deposits (Note 10 and 13);
- assumptions and estimates used in calculating the provision for impairment for trade receivables - net (Note 12);
- assumptions and estimates used in deriving fair value of short term investments (Note 14);
- assumptions and estimates used in disclosure and assessment of provision for contingencies and commitments (Note 21);



ABBASI & COMPANY (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

- assumptions and estimates used in determining current income under relevant tax law and the decisions of appellate authorities on certain cases issued in the past (Note 26);

4 Standards, amendments and interpretations

4.1 Standards, interpretations and amendments to approved accounting standards that are effective in the current year

The following standards, amendments and interpretations are effective for the year ended June 30, 2025. These standards, amendments and interpretations are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

Standard	Interpretation	Effective Date - Annual period - (Beginning on or after)
IAS 1	Presentation of financial statements- Amendments	January 1, 2024
IAS 7	Amendments to IAS 7 "statement of cash flow"	January 1, 2024
IFRS 7	Amendments to IFRS 7 "Financial Instruments Disclosures"- Supplier Finance Arrangements	January 1, 2024
IFRS 16	Amendments to IFRS 16 "Leases" - Clarification on how seller-lessee subsequently measures sale and lease back transaction	January 1, 2024

4.2 Standard, amendments to published accounting and reporting standards and interpretations that are not yet effective and have not been early adopted by the Company

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

Standard	Interpretation	Effective Date - Annual period - (Beginning on or after)
IAS 21	Amendments to lack of exchange ability	January 1, 2025
IFRS S1	General Requirements for Disclosure of Sustainability - Related Financial	January 1, 2025
IFRS S2	Climate - Related Disclosure	January 1, 2025
IFRS 7 & 9	Amendments to Classification and Measurement of Financial Instruments - Amendments to IFRS 7 and 9	January 1, 2026
IFRS 1,7, 9, 10 & IAS 7	Annual improvements to IFRS Accounting Standards	January 1, 2026

Other than the aforementioned standards, interpretations, and amendments, IASB has also issued the following standards, which have yet not been notified locally by the Securities and Exchange Commission of Pakistan (SECP) as at the reporting date:

Standard	Interpretation	Effective Date - Annual period - (Beginning on or after)
IFRS 01	First time adoption of International Financial Reporting Standards	January 1, 2027
IFRS 18	Presentation and disclosure in financial statements	January 1, 2027
IFRS 19	Subsidiaries without public Accountability - Disclosures	January 1, 2027

The management believes that adoption of the new standards, amendments and interpretations, which are in issue but not yet effective, is not likely to have any material impact, on the recognition, measurement, presentation and disclosure of items in the financial statements for current and future periods and foreseeable future transactions.

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ABBASI & COMPANY (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

During the year the Institute of Chartered Accountants of Pakistan (ICAP) have withdrawn the Technical Release 27 "IAS 12, Income Taxes (Revised 2012)" and issued guidance – "IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes". The said guidance requires taxes paid under final tax regime to be shown separately as a levy instead of showing it in current tax.

5 Material accounting policy information

5.1 Property and equipment

Property and equipment are stated at cost less accumulated depreciation and impairment losses, if any, Cost includes expenditures directly attributable to the acquisition of an asset.

Depreciation on property and equipment is charged on reducing balance method at the rates stated in Note 6 to these financial statements. Depreciation of an asset begins when it is available for use and ceases at the earlier of the date that the asset is classified as held for sale as per IFRS 5 and the date that the asset is derecognized

Normal repairs and maintenance are charged to profit or loss as and when incurred. Major renewals and improvements, if any, are capitalised, when it is probable that future economic benefits will flow to the Company.

Residual values and the useful lives are reviewed at each date of statement of financial position and adjusted if expectations differ significantly from previous estimates.

Residual values are determined by the management as the amount it expects it would receive currently for an item of property and equipment if it was already of the age and in the condition expected at the end of its useful life based on the prevailing market prices of similar assets already at the end of their useful lives.

Useful lives are determined by the management based on the expected usage of assets, physical wear and tear, technical and commercial obsolescence, legal and similar limits on the use of the assets and other similar factors.

The carrying values of property and equipment are reviewed at each reporting date for indications that an asset may be impaired and carrying values may not be recovered. If any such indication exists and where the carrying value exceeds the estimated recoverable amount, the asset or cash generating unit is written down to its recoverable amount. The recoverable amount of property and equipment is the greater of fair value less cost to sell and value in use.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with carrying amount of the relevant assets. These are included in profit or loss.

5.2 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation (including property under construction for such purposes), is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

Depreciation on Investment property is charged on reducing balance method at the rates stated in Note 7 to these financial statements. Depreciation of an asset begins when it available for intended use and continues until the date of disposal.

5.3 Intangible assets

Intangible assets are measured at cost less accumulated amortization and accumulated impairment losses except Trading Rights Entitlement Certificate (TREC) which are stated at cost less accumulated impairment losses.

Cost includes expenditures directly attributable to the acquisition of an asset. When there is an exchange of assets and the fair value of neither the assets received nor the assets given up can be reliably measured, the cost of the asset received should be measured at the carrying amount of the asset given up.

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ABBASI & COMPANY (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

Amortization is charged so as to allocate the cost of assets over their estimated useful lives, using the straight-line method at the rates specified in Note 13 to these financial statements.

The useful lives, residual values and amortization method are reviewed on a regular basis. The effect of any changes in estimate accounted for on a prospective basis.

The carrying amount of the intangible is reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised in the profit or loss for the amount by which the asset's carrying amount exceeds its recoverable amount. Reversal of impairment losses are also recognised in the profit or loss, however, it is restricted to the original cost of the asset.

5.4 Financial instruments

Financial assets and liabilities are initially measured at cost, which is the fair value of the consideration given and received respectively. These financial assets and liabilities are subsequently remeasured to fair value, amortized cost or cost as the case may be. Any gain or loss on the recognition and de-recognition of the financial assets and liabilities is included in the statement of profit or loss for the period in which it arises.

5.4.1 Financial assets

The Company classifies its financial instruments in the following categories:

- at amortised cost;
- fair value through profit or loss (FVTPL); or
- fair value through other comprehensive income (FVTOCI).

Financial assets that meet the following conditions are subsequently measured at amortised cost:

Financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

Contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at FVTOCI:

Financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and

Contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

5.4.2 Financial liabilities

Financial liabilities are recognised at the time when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities at amortised cost are initially measured at fair value less transaction costs. Financial liabilities at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the statement of profit or loss.

Financial liabilities, other than those at fair value through profit or loss, are subsequently measured at amortised cost using the effective yield method.

The Company classifies its financial liabilities in the following categories:

- at fair value through profit or loss ("FVTPL"); and
- at amortised cost.

Financial assets and liabilities at amortised cost

Financial assets and liabilities at amortised cost are subsequently carried at amortised cost, and in the case of financial assets, less any accumulated impairment losses, if any.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are subsequently carried at fair value. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statement of profit or loss in the period in which they arise.

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ABBASI & COMPANY (PRIVATE) LIMITED
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Financial assets at FVTOCI

Elected investments in equity instruments at FVTOCI are subsequently measured at fair value, with gains or losses arising from changes in fair value recognized in other comprehensive income.

5.4.3 Offsetting of financial assets and liabilities

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position, if the company has a legally enforceable right to offset the recognized amounts and the company intends to settle either on a net basis or realize the asset and settle the liability simultaneously.

5.4.4 Impairment of financial assets

The Company recognizes loss allowance for ECL on financial assets measured at amortised cost except for debts due directly / ultimately from Government of Pakistan, if any, in respect of which exemption is granted by SECP. For trade debts, if any, the Company applies IFRS 9 simplified approach to measure the expected credit losses (loss allowance) which uses a life time expected allowance. The Company uses General 3-stage approach for deposits, other receivables and bank balances i.e. to measure ECL through loss allowance at an amount equal to 12-month ECL, if credit risk on a financial instruments has not increased significantly since initial recognition.

Life time ECLs are the ECLs that results from all possible default events over the expected life of a financial instrument. 12 months' ECL are portion of ECL that result from default events that are possible within 12 months. ECLs are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between cash flows due to the entity in accordance with the contract and cash flows that the Company expects to receive).

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectation of recovering a financial asset in its entirety or a portion thereof.

In respect of financial assets due directly / ultimately from Government of Pakistan, if any, the financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

The Company regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

The Company assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

- (a) The financial instrument has a low risk of default,
- (b) The borrower has a strong capacity to meet its contractual cash flow obligations in the near term, and
- (c) Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfill its contractual cash flow obligations

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5.5 Trade debts

Trade debts are initially recognized at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Other receivables are recognized at amortised cost, less any allowance for expected credit losses. The Company applies the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables are grouped based on days overdue.

5.6 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost.

5.7 Trade and other payables

Trade and other payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method. Exchange gains and losses arising on translation in respect of liabilities in foreign currency are added to the carrying amount of the respective liabilities.

5.8 Contract assets and liabilities

If the Company satisfies a performance obligation before it receives the consideration, the Company recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due. Contract liabilities are recognized for consideration received in respect of unsatisfied performance obligations.

5.9 Staff retirement benefits

The company operates a funded provident fund scheme covering permanent employees and monthly equal contribution is made to the trust at the rate of 5% of the basic pay both by the employer and the employees.

5.10 Foreign currency transactions and translation

Foreign currency transactions are translated into Pak Rupees using the exchange rates prevailing at the dates of the transactions. All monetary assets and liabilities in foreign currencies are translated into Pak Rupees at the rates of exchange prevailing at the statement of financial position date. Foreign exchange gains and losses on translation are recognised in statement of profit or loss. All non-monetary items are translated into Pak Rupees at exchange rates prevailing on the date of transaction or on the date when fair values are determined.

5.11 Provisions

Provisions are recognized when the company has a present legal or constructive obligation as a result of past events and, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation.

5.12 Contingent liabilities

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 when there is 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.

5.13 Contingent assets

Contingent assets are disclosed when there is a possible asset 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. Contingent assets are not recognised until their realisation become virtually certain.

5.14 Related party transactions and transfer pricing

Transactions and contracts with the related parties are priced at arm's length except assets sold to employees at written down values as approved by Board of Directors. Prices for transactions with related parties are determined on the basis comparable uncontrolled price method.

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FOR THE YEAR ENDED JUNE 30, 2025

5.15 Taxation

Current:

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

Deferred:

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from difference between the carrying amount of the assets and liabilities in the financial statements and corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse, based on tax rates that have been enacted or substantively enacted by the statement of financial position date. Deferred tax is charged or credited in the income statement, except where deferred tax arises on the items credited or charged to equity in which case it is included in equity.

5.16 Dividend and appropriation to reserves

Dividend distribution to the Company's shareholders and appropriation to reserves are recognized in the financial statements in the period in which these are declared.

5.17 Revenue recognition

The company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the company and specific criteria has been met for each of the company's activities as described below:

- Revenue from trading activities - brokerage income
- Commission revenue from trading of securities is recognized when the performance obligation is satisfied, being when transaction is settled by the clearing house and there is no unfulfilled obligation that could affect the customer's acceptance of the services. Broker's bills are also generated at that point in time.
- Commission income is recognised as and when received or when the right to receive is established.
- Gains / (losses) arising on disposal of investments are included in income currently and are recognised on the date when the transaction takes place.
- Unrealised gains / (losses) arising on revaluation of securities classified as 'fair value through other comprehensive income' are included in other comprehensive income in the period in which they arise.
- Unrealised gains / (losses) arising on revaluation of securities classified as 'fair value through profit or loss' are included in profit or loss in the period in which they arise.
- Revenue from rendering of services is recognised as and when performance obligation is met.
- Dividends are recognised as other income in profit or loss when the right to receive payment is established.

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ABBASI & COMPANY (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

Note	2025	2024
	Rupees	
6 Property and equipment		
Operating fixed assets		
6.1	208,956,278	210,242,221
	<u>208,956,278</u>	<u>210,242,221</u>

6.1 Operating fixed assets

	Owned assets						Total assets
	Freehold Land	Building on freehold land	Furniture and Fixture	Office Equipment	Computers	Vehicles	
	Rupees						
Cost							
Balance as at July 01, 2023	164,257,807	52,112,577	3,320,201	21,451,311	26,564,039	39,313,640	307,019,575
Additions during the year	-	-	-	1,781,974	736,300	6,032,060	8,550,334
Disposals	-	-	-	-	-	(4,082,987)	(4,082,987)
Balance as at June 30, 2024	<u>164,257,807</u>	<u>52,112,577</u>	<u>3,320,201</u>	<u>23,233,285</u>	<u>27,300,339</u>	<u>41,262,713</u>	<u>311,486,922</u>
Balance as at July 01, 2024	164,257,807	52,112,577	3,320,201	23,233,285	27,300,339	41,262,713	311,486,922
Additions during the year	-	-	-	1,124,788	783,010	14,993,153	16,900,951
Disposals	-	-	-	-	-	(15,010,993)	(15,010,993)
Transferred to investment property	-	(5,616,152)	-	-	-	-	(5,616,152)
Balance as at June 30, 2025	<u>164,257,807</u>	<u>46,496,425</u>	<u>3,320,201</u>	<u>24,358,073</u>	<u>28,083,349</u>	<u>41,244,873</u>	<u>307,760,728</u>
Depreciation							
Balance as at July 01, 2023	-	41,175,630	2,326,307	13,652,632	21,107,484	15,484,460	93,746,513
Charge for the year	-	1,093,695	99,389	814,971	1,739,754	5,273,753	9,021,562
Depreciation on disposals	-	-	-	-	-	(1,523,374)	(1,523,374)
Balance as at June 30, 2024	<u>-</u>	<u>42,269,325</u>	<u>2,425,696</u>	<u>14,467,603</u>	<u>22,847,238</u>	<u>19,234,839</u>	<u>101,244,701</u>
Balance as at July 01, 2024	-	42,269,325	2,425,696	14,467,603	22,847,238	19,234,839	101,244,701
Charge for the year	-	984,325	89,451	978,208	1,446,765	5,499,811	8,998,560
Depreciation on disposals	-	-	-	-	-	(6,482,920)	(6,482,920)
Transferred to investment property	-	(4,955,891)	-	-	-	-	(4,955,891)
Balance as at June 30, 2025	<u>-</u>	<u>38,297,759</u>	<u>2,515,147</u>	<u>15,445,811</u>	<u>24,294,003</u>	<u>18,251,730</u>	<u>98,804,450</u>
Rate of depreciation	0%	10%	10%	10%	30%	20%	
Written down value as at June 30, 2024	164,257,807	9,843,252	894,505	8,765,682	4,453,101	22,027,874	210,242,221
Written down value as at June 30, 2025	164,257,807	8,198,666	805,054	8,912,262	3,789,346	22,993,143	208,956,278

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6.2 Disposal of Property and equipment

Particulars of Asset	Classified as	Cost	Accumulated depreciation	Book value	Sale proceeds	Gain/(Loss)	Mode of disposal	Particulars of buyer	Relationship with company or any of its director
		----- Rupees -----							
Honda Accord (LWG-0900)	Vehicles	2,768,530	468,426	2,300,104	2,200,000	(100,104)	Via agent	Mian Muhammad Umar	No relationship
Toyota Tank (APA-727)	Vehicles	3,556,953	980,529	2,576,424	2,800,000	223,576	Via agent	Noaman Younas Sheikh	No relationship
Suzuki Swift (ALH-727)	Vehicles	3,087,000	1,169,356	1,917,644	3,400,000	1,482,356	Via agent	Noaman Younas Sheikh	No relationship
Toyota Yaris (ACZ-442)	Vehicles	3,367,400	1,866,482	1,500,918	1,855,000	354,082	Via agent	Muhammad Javed Iqbal Ansari	No relationship
Toyota Corolla (LEF-14-8840)	Vehicles	2,231,110	1,998,127	232,983	515,000	282,017	Via agent	Imtiaz Ahmad Qureshi	No relationship

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ABBASI & COMPANY (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
		----- Rupees -----	
6.3 Depreciation for the year has been allocated as under:			
Administrative and operating expenses	23	8,998,560	9,021,562
		<u>8,998,560</u>	<u>9,021,562</u>
7 Investment properties			
Opening balance		-	-
Transfer from owner-occupied property		660,261	-
Net gain/ (loss) from fair value adjustment		-	-
Fair value gain/ (loss) not recognised		-	-
		<u>660,261</u>	<u>-</u>
7.1 Amounts recognised in profit or loss for investment properties			
Expenses from property that did not generated rental income		-	-
Expenses from property that generated rental income		-	-
		<u>-</u>	<u>-</u>
7.2 This represents the commercial building located at Commercial office numbers 109-A, & 111-A situated on first floor of Pannorma centre, Mall Road, Lahore owned by the Company. This property is not occupied by the Company and is held for capital appreciation and earning rental income. The Company carries this investment property under cost model.			

	Note	2025	2024
		----- Rupees -----	
8 Intangible assets			
Financial software	8.1	3,614,706	1,618,501
Trading Rights Entitlement Certificate (TREC)	8.2	640,000	640,000
		<u>4,254,706</u>	<u>2,258,501</u>
8.1 Financial software			
Opening net book value (NBV)		1,618,501	2,155,227
Addition		2,613,750	-
Amortization charge		(617,545)	(536,726)
Closing net book value (NBV)		<u>3,614,706</u>	<u>1,618,501</u>
Gross carrying value basis			
Cost		12,379,659	9,765,909
Accumulated amortization		(8,764,953)	(8,147,408)
		<u>3,614,706</u>	<u>1,618,501</u>
Amortization Rate		<u>20%</u>	<u>20%</u>
Pakistan Stock Exchange Limited		640,000	640,000
		<u>640,000</u>	<u>640,000</u>

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ABBASI & COMPANY (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
		----- Rupees -----	
9 Long term investments			
<u>Listed securities</u>			
LSE Ventures Limited	9.1	-	1,507,500
		-	1,507,500
9.1 LSE Ventures Limited			
Opening balance		1,507,500	10,619,406
Acquired during the year		-	393,805
Sale during the year		(1,554,601)	(5,326,205)
Net gain/ loss on sale of investment		47,101	(3,354,590)
Unrealised loss on remaining investment		-	(824,916)
Closing balance		-	1,507,500
9.2 Pursuant to the Lahore High Court HCJD/C-21 proceedings concerning the demerger of LSE Financial Services Limited (LSEFSL), the court ordered the division of the principal business into two newly incorporated entities: LSE Ventures Ltd. (LVL) and LSE Proptech Ltd. (LPL). Both companies were established as public unlisted companies (now listed on PSX) with shares issued to LSEFSL members. During the financial year ended June 30, 2023, LSE Financial Services Limited shares were converted into LSE Venture Limited and LSE Proptech Limited. Following this conversion, the trading of both companies' shares was initiated in the open market, allowing for the calculation of realized and unrealized gains and losses based on the trading activity and current market rates.			
		2025	2024
		----- Rupees -----	
10 Long term deposits			
Security deposit with NCCPL		100,000	100,000
Security deposit - Murabaha shares		100,000	100,000
Security deposit with NCCPL - DFCs		1,000,000	1,000,000
Initial margin deposit with NCCPL		200,000	200,000
Security deposit NCCPL - MSF		100,000	100,000
Security deposit with PMEX - Offices		2,500,000	2,500,000
Security deposit against PMEX membership card		750,000	750,000
Deposit with Pakistan State Oil Company Ltd.		600,000	400,000
Security deposit - Telecommunication		101,500	101,500
Security deposit with WAPDA and SNGPL		110,200	110,200
		5,561,700	5,361,700
11 Deferred tax assets			
11.1 Deferred tax comprises temporary differences attributable to:			
Taxable temporary difference			
Accelerated depreciation on property and equipment		11,290,455	15,413,172
Accelerated amortisation on intangible assets		3,189,705	353,501
		14,480,160	15,766,673

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ABBASI & COMPANY (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
		----- Rupees -----	
Deductible temporary difference			
Remeasurement of investments at fair value through profit or loss		(4,013,663)	(4,772,470)
Remeasurement of investments at fair value through other comprehensive income		-	(824,916)
Provision for expected credit loss		(1,220,368)	(1,518,413)
Unused tax losses		(101,014,900)	(94,219,320)
		(106,248,932)	(101,335,119)
Net deductible/ taxable temporary difference		(91,768,772)	(85,568,446)
Deferred tax liability / (asset)			
- Pertaining to profit or loss @ 29%		(25,448,981)	(23,191,607)
- Pertaining to profit or loss @ 15%		(602,050)	(715,871)
- Pertaining to other comprehensive income @ 15%		-	(123,737)
		(26,051,031)	(24,031,215)
Unused tax credit		(4,127,038)	(4,127,038)
		(30,178,069)	(28,158,253)
Unrecognized deferred tax asset	11.2	30,178,069	28,158,253
Net deferred tax asset		-	-

11.2 Deferred tax asset on unused tax losses and unused tax credits amounting to Rs. 30.18 million (2024: Rs. 28.16 million) has not been recognized in these financial statements as the management is of the view that sufficient taxable profit will not be available in the foreseeable future against which unused tax losses and unused tax credits would be adjusted.

	Note	2025	2024
		----- Rupees -----	
12 Trade receivables - net			
Trade receivables		5,250,166	5,530,004
Provision for impairment		1,220,368	1,518,413
		6,470,534	7,048,417
Less: Allowance for expected credit loss	12.1	(1,220,368)	(1,518,413)
		5,250,166	5,530,004
12.1 Movement in allowance for expected credit loss			
Balance as on July 01, 2024		1,518,413	1,331,409
Charged/(reversal) during the year		(298,045)	187,004
Balance as on June 30, 2025		1,220,368	1,518,413
12.2 Ageing Analysis			
Upto fourteen days		3,598,344	1,395,174
More than fourteen days		2,872,190	5,653,243
		6,470,534	7,048,417

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ABBASI & COMPANY (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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	Note	2025	2024
		Rupees	
13 Advances, deposits and prepayments			
Advances to employees against salary		14,228,000	10,871,000
Short term security deposits	13.1	7,237,560	18,732,117
Prepaid insurance		250,687	280,933
Other receivable		143,180	363,487
		<u>21,859,427</u>	<u>30,247,537</u>
13.1 This includes the clearing deposit with PMEX and margin deposit with NCCPL			
Clearing deposit with PMEX	13.2	7,237,560	6,532,117
Margin deposit with NCCPL/PSX	13.3	-	12,200,000
		<u>7,237,560</u>	<u>18,732,117</u>

13.2 This deposit represents trade exposure from members on behalf of clients' trades with PMEX.

13.3 This represent deposit with National Clearing Company of Pakistan Limited against exposure margin in respect of future and ready counter.

	Note	2025	2024
		Rupees	
14 Short term investments			
Investments in equity instruments at fair value through profit or loss	14.1	43,525,900	38,075,737
Investment in Pakistan Mercantile Exchange at fair value through profit or loss	14.2	257,319	238,269
Investment in Margin Trading System (MTS) - at amortized cost	14.3	24,374,722	24,440,673
Investments in bonds		3,380,548	-
		<u>71,538,489</u>	<u>62,754,679</u>

14.1 Reconciliation between fair value and cost of investments, classified as investments at fair value through profit or loss.

	Note	2025	2024
		Rupees	
Cost of the investments		47,539,563	42,848,208
Unrealized gain / (loss) on remeasurement of investments:			
Opening balance		(4,772,470)	(19,234,580)
Unrealized gain / (loss)		758,807	14,462,110
		<u>(4,013,663)</u>	<u>(4,772,470)</u>
		<u>43,525,900</u>	<u>38,075,738</u>

14.2 This represents the investment in commodity in Pakistan Mercantile Exchange .

Opening balance	238,269	391,179
Fees and commission	19,050	(19,712)
Net unrealised gain / (loss) on investments	-	(133,198)
Closing balance	<u>257,319</u>	<u>238,269</u>

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ABBASI & COMPANY (PRIVATE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

- 14.3 This represents an investment in a Margin Trading System, governed by an agreement between a Financier and a Financee, which is regulated by the National Clearing Company of Pakistan Limited (NCCPL). Under this arrangement, the Financier contributes 85% of the total trade amount, while the Financee contributes the remaining 15%.

The rate of return on the deposit is determined through mutual agreement between both parties, the Financee and the Financier, and it is subject to a maximum limit of KIBOR (Karachi Interbank Offered Rate) plus 7%. It's important to note that this rate is variable and can change over time. This investment follows a specific cycle of 60 days, and after the initial 15 days, 25% of the investment is released. This suggests that the investment is gradually liquidated or provides partial returns at specific intervals during the investment period.

	Note	2025	2024
		----- Rupees -----	
15 Tax refunds due from government			
Opening balance		7,334,994	7,127,851
Advance income tax paid - prior year		29,787	-
Advance income tax paid - current year		1,393,575	1,222,987
Provision for the year		(1,424,188)	(1,015,844)
		<u>7,334,168</u>	<u>7,334,994</u>

16 Cash and cash equivalents			
Cash in hand		1,590,301	1,320,137
Balances with banks in:			
- current accounts		63,172,234	29,327,257
- deposit accounts	16.1	168,095,805	171,261,285
		<u>231,268,039</u>	<u>200,588,542</u>
		<u>232,858,340</u>	<u>201,908,679</u>

- 16.1 These, during the year, carry mark-up ranging from 8.31% to 11% per annum. (2024 : 9% to 10.75%)

- 16.2 Balances with banks is further segregated as follows:

- House account	19,047,911	22,432,105
- Clients account	212,220,128	178,156,438
	<u>231,268,039</u>	<u>200,588,543</u>

16.3 Unutilized bank facility

The company has a short term borrowings facility of Rs. 40 Million (2024: Rs. 40 Million) from Bank Al-Habib Limited which remained un-utilized during the current year. The facility is obtained to meet working capital requirements and shall expire on July 17, 2027.

	2025	2024	2025	2024
	Number of shares		----- Rupees -----	
17 Issued, subscribed and paid up share capital				
Ordinary shares of Rs. 10 each.				
- Fully paid in cash	6,611,000	6,611,000	66,110,000	66,110,000
- Fully paid other than cash	400,000	400,000	4,000,000	4,000,000
	<u>7,011,000</u>	<u>7,011,000</u>	<u>70,110,000</u>	<u>70,110,000</u>

- 17.1 All ordinary shares rank equally with regard to the Company's residual assets. Holders of these shares are entitled to dividends as declared from time to time. Holders of these shares carry voting rights, rights of board selection, right of first refusal and block voting in proportion to their respective shareholding.

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

18 Share premium

It represents share premium received on issue of new shares.

19 General reserves

It represents amount transferred from unappropriated profit to general reserves with no specific purpose of utilization in financial year June 30, 2004 of Rs. 30 millions, June 30, 2005 of Rs. 45 millions, June 30, 2006 of Rs. 25 millions, June 30, 2008 of Rs. 30 millions and June 30, 2015 of Rs. 70 millions respectively. However, the amount has been transferred to unappropriated profit at the start of current year.

	Note	2025	2024
		----- Rupees -----	
20 Trade and other payables			
Trade payables		212,220,128	178,156,438
Accrued liabilities		701,299	634,659
Sales tax payable		1,144,719	822,886
Customer advances	20.1	86,000	160,000
		214,152,146	179,773,983
20.1 Customer advances			
Opening balance		160,000	-
Transferred during the year		(1,101,975)	-
Receipts during the year		1,027,975	160,000
		86,000	160,000

21 Contingencies and commitments

Contingencies

21.1 Letter of Guarantees

- Guarantee issued by Bank Al Habib Limited in favour of Pakistan Stock Exchange Limited (PSX) on behalf of the company were amounted to Rs. 4 Millions. (2024: Rs. 30 Millions)
- Guarantee issued by Bank Al Habib Limited in favour of National Clearing Company Limited (NCCPL) on behalf of the company were amounted to Rs. 56 Millions. (2024: Rs. 10 Millions)

21.2 Commitments

There are no commitments as at June 30, 2025. (2024: Nil)

	Note	2025	2024
		----- Rupees -----	
22 Operating revenue			
Brokerage income - PSX		91,963,108	68,955,738
Brokerage income - PMEX		9,450,073	9,118,110
Brokerage income - MTS		5,914,596	6,031,816
Gross revenue		107,327,777	84,105,664
Less: sales tax		(14,803,832)	(11,600,781)
Net revenue		92,523,945	72,504,883

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ABBASI & COMPANY (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
		----- Rupees -----	
23 Administrative and operating expenses			
Salaries and other benefits	23.1	47,977,357	43,940,039
Directors remuneration	23.2	11,540,085	9,956,045
Utilities		2,327,292	3,467,904
Fee and subscription		2,524,031	4,382,652
Legal and professional charges		5,500,616	5,891,024
Business promotion expenses		2,170,056	1,207,614
Advertisement		76,500	113,400
Research and staff training		898,818	741,470
Vehicle running and maintenance		2,675,708	5,494,894
Travelling and conveyance		5,375,468	65,613
Communication		2,992,260	2,620,767
Repair and maintenance		3,151,579	2,377,710
Postage and courier		389,244	482,445
Insurance		635,893	642,537
Newspaper and periodicals		81,990	74,505
Printing and stationery		944,785	619,163
Entertainment		1,341,111	1,336,822
Rent, rates and taxes		1,734,138	584,259
Computer expenses		401,645	475,834
Donations	23.3	3,575,964	3,197,662
Allowance for expected credit loss		-	187,004
Auditors' remuneration		350,000	315,000
Depreciation	6.3	8,998,560	9,021,562
Amortization	8.1	617,545	536,726
Miscellaneous		652,862	309,023
		106,933,507	98,041,674

23.1 Salaries and other benefits include Rs. 835,638 (2024: 1,009,006) in respect of staff retirement benefits.

23.2 Directors remuneration include Rs. 250,496 (2024: 382,707) in respect of staff retirement benefits.

23.3 Donations to following Organization and Trusts exceed 10% of total donations of the Company or 1 million which ever is higher:

	2025	2024
	----- Rupees -----	
Saylani Welfare International Trust	2,241,344	3,058,260
	2,241,344	3,058,260

23.3.1 The directors of the company have no interest in donation to trust.

24 Other income

Income from financial assets

Profit on deposits with bank	896,447	755,500
Dividend income	2,072,428	730,218
Return on margin trading system	3,683,099	2,888,289
Return on exposure and cash deposit	2,083,876	8,160,750
Return on clearing deposit-PMEX	426,272	213,905
Reversal of provision for expected credit loss	298,045	-
	9,460,167	12,748,662

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ABBASI & COMPANY (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

	2025	2024
	----- Rupees -----	
<i>Income from non-financial assets</i>		
Gain on sale of vehicle	2,241,927	1,865,387
Client account maintenance fee & initial public offer	6,442,261	3,656,800
	8,684,188	5,522,187
	<u>18,144,355</u>	<u>18,270,849</u>
25 Finance costs		
Bank Charges	249,453	189,503
Bank guarantee commission	758,400	320,000
	<u>1,007,853</u>	<u>509,503</u>
26 Taxation		
Current tax expense		
- current year	-	-
- prior year(s)	-	-
Deferred tax expense / (income)	-	-
	<u>-</u>	<u>-</u>
27 (Deficit) per share		

	Profit / (loss) after tax		Total shares in issue		Earnings per share	
	2025	2024	2025	2024	2025	2024
	----- Rupees -----		Number of shares		----- Rupees -----	
Basic and diluted	1,960,704	(4,381,601)	7,011,000	7,011,000	0.280	(0.625)
	<u>1,960,704</u>	<u>(4,381,601)</u>	<u>7,011,000</u>	<u>7,011,000</u>	<u>0.280</u>	<u>(0.625)</u>

	2025	2024
	----- Rupees -----	
28 Financial instruments		
Financial assets as per statement of financial position		
<i>At amortized cost</i>		
Long term deposits	5,561,700	5,361,700
Trade receivables - net	5,250,166	5,530,004
Investment in Margin Trading System (MTS) - at amortized cost	24,374,722	24,440,673
Advances and other deposits	21,465,560	29,603,117
Cash and cash equivalents	232,858,340	201,908,680
	<u>289,510,488</u>	<u>266,844,174</u>
<i>At fair value</i>		
Short term investments at fair value through profit or loss	47,163,767	38,314,006
Long term investments at fair value through other comprehensive income	-	1,507,500
	<u>47,163,767</u>	<u>39,821,506</u>
	<u>336,674,255</u>	<u>306,665,680</u>
Financial liabilities as per statement of financial position		
<i>At amortized cost</i>		
Trade and other payables	213,450,847	179,139,324
	<u>213,450,847</u>	<u>179,139,324</u>

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ABBASI & COMPANY (PRIVATE) LIMITED
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Fair values of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique.

As at the reporting date, fair values of all financial instruments are considered to approximate their carrying amounts. Further, there are no fair value estimation uncertainties.

Methods of determining fair values

Fair values of financial instruments for which prices are available from the active market are measured by reference to those market prices. The fair value of financial assets (other than investments) and liabilities with no active market are determined in accordance with generally accepted pricing models based on discounted cash flow analysis based on inputs from other than observable market.

Discount / interest rates used for determining fair values

The interest rates used to discount estimated cash flows, when applicable, are based on the government yield curve as at the reporting date plus an adequate credit spread.

Fair value hierarchy

The company classifies fair value measurements 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)
- Level 3 Inputs for the asset or liability that are not based on observable market data (i.e., unobservable inputs).

As of reporting date, there are no financial assets that require Level 1, 2 or 3 inputs for measurement of fair values.

The fair value hierarchy of financial assets measured at fair value is as follows:

	2025			
	Total	Level 1	Level 2	Level 3
	Amount in rupees			
Long term investments	-	-	-	-
Short term investments at fair value through profit or loss	43,525,900	43,525,900	-	-
	<u>43,525,900</u>	<u>43,525,900</u>	<u>-</u>	<u>-</u>

	2024			
	Total	Level 1	Level 2	Level 3
	Amount in rupees			
Long term investments	1,507,500	1,507,500	-	-
Short term investments at fair value through profit or loss	38,075,737	38,075,737	-	-
	<u>39,583,237</u>	<u>39,583,237</u>	<u>-</u>	<u>-</u>

29 Financial risk management objectives

Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, other price risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance.

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ABBASI & COMPANY (PRIVATE) LIMITED
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Risk management is carried out by the Board of Directors (the Board).

a) Market risk

i) 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. Currency risk arises mainly from future commercial transactions in foreign currencies. The Company is not exposed to foreign currency exchange risk.

ii) Price risk

Price risk represents 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 equity price risk since it has investment in quoted equity securities. The company manages price risk by monitoring exposure in quoted equity securities and implementing the strict discipline in internal risk management and investment policies.

	2025	2024
	----- Rupees -----	
Long term investments	-	1,507,500
Short term investments	43,525,900	38,075,737
	<u>43,525,900</u>	<u>39,583,237</u>

		Increase / (Decrease) in rate	Effect on profit before tax	Effect on equity
			----- Rupees -----	
Fair value sensitivity analysis	2025	10%	4,352,590	4,178,486
		-10%	(4,352,590)	(4,178,486)
	2024	10%	3,958,324	3,799,991
		-10%	(3,958,324)	(3,799,991)

iii) Interest rate risk

Interest rate risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Borrowings obtained at variable rates expose the Company to cash flow interest rate risk.

At the reporting date, the profit, interest and mark-up rate profile of the Company's significant financial assets and liabilities is as follows:

	2025	2024
	----- Rupees -----	
Variable rate financial instruments		
Financial assets		
Investment in Margin Trading System (MTS) - at amortized cost	24,374,722	24,440,673
Balances with banks in deposit accounts	168,095,805	171,261,285
Cash and cash equivalents	232,858,340	201,908,679
	<u>425,328,867</u>	<u>397,610,637</u>
Financial liabilities	-	-
	<u>-</u>	<u>-</u>

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ABBASI & COMPANY (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

Fair value sensitivity analysis

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

Increase / (Decrease) in rate	Effect on profit before tax	Effect on equity
	----- Rupees -----	

Interest rate sensitivity analysis

Financial assets

2025	10%	42,532,887	30,198,350
	-10%	(42,532,887)	(30,198,350)
2024	10%	39,761,064	28,230,355
	-10%	(39,761,064)	(28,230,355)

b) Credit risk

Credit risk is the risk that one party to the financial instrument will fail to discharge its 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 balances with bank, trade debts, advances, deposits and other receivables. The maximum exposure to credit risk before any credit enhancement is given below:

Exposure to credit risk

Credit risk of the Company arises from deposits with banks and financial institutions, trade debts and deposits. The carrying amount of financial assets represents the maximum credit exposure. To reduce the exposure to credit risk, the Company has developed its own risk management policies and guidelines whereby clients are provided trading limits according to their net worth and proper margins are collected and maintained from the clients. The management continuously monitors the credit exposure towards the clients and makes provision against those balances considered doubtful of recovery. The Company's management as part of risk management policies and guidelines, reviews clients' financial position, considers past experience and other factors, and obtains necessary collaterals to reduce credit risks. Further, credit risk on liquid funds is limited because the counter parties are banks with reasonably high credit ratings.

The Company's policy is to enter into financial contracts in accordance with the internal risk management policies, investment and operational guidelines approved by the Board of Directors. In addition, credit risk is also minimized due to the fact that the Company invests only in high quality financial assets, majority of which have been rated by a reputable rating agency. The Company does not expect to incur material credit losses on its financial assets.

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

Maximum exposure to credit risk

Long term investments
Long term deposits
Investments in equity instruments at fair value through profit or loss
Trade receivables - net
Advances, deposits and prepayments
Cash and cash equivalents
Investment in Margin Trading System (MTS) - at amortized cost
Investments in bonds

-	1,507,500
5,561,700	5,361,700
43,525,900	38,075,737
5,250,166	5,530,004
21,465,560	29,603,117
232,858,340	201,908,680
24,374,722	24,440,673
3,380,548	-
336,416,936	306,427,411

The Company attempts to control the credit risk by monitoring credit exposure, limiting transactions with specific customers and continuing assessment of credit worthiness of customers.

2025

ABBASI & COMPANY (PRIVATE) LIMITED
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Based on the past experience, record of recoveries, the Company believes that the past due amount do not require any provision or impairment loss.

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

Bank	Date of rating	Rating agency	Rating	
			Short-term	Long-term
Habib Bank Limited	30-Jun-25	VIS	AAA	A1+
Meezan Bank Limited	30-Jun-25	VIS	AAA	A1+
The Bank of Punjab	28-Jun-24	VIS	A-1+	AA
Bank Alfalah Limited	28-Jun-25	PACRA	AAA	A1+
Bank AL Habib Limited	23-Jun-25	PACRA	AAA	A1+
Allied Bank Limited	24-Jun-25	PACRA	AAA	A1+
MCB Bank Limited	23-Jun-25	PACRA	AAA	A1+

c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of adequate funds through committed credit facilities and the ability to close out market positions due to dynamic nature of the business. The company finances its operation through equity and working capital with a view to maintaining an appropriate mix between various sources of finance to minimize risk. The management aims to maintain flexibility in funding by keeping regular committed credit line. The following are the contractual maturities of the financial liabilities. It is not expected that the cashflows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

Below mentioned financial liabilities are exposed to profit / mark-up rate risk except trade and other payables along with contractual maturities.

	Carrying amount	Less than one years	One to two years	Two to three years	More than three years
As at June 30, 2025					
Trade and other payables	214,152,146	214,152,146	-	-	-
	<u>214,152,146</u>	<u>214,152,146</u>	<u>-</u>	<u>-</u>	<u>-</u>
As at June 30, 2024					
Trade and other payables	179,773,983	179,773,983	-	-	-
	<u>179,773,983</u>	<u>179,773,983</u>	<u>-</u>	<u>-</u>	<u>-</u>

29.1 Capital risk management

The company's objectives, policies and processes for managing capital are as follows:

To safeguard Company's ability to continue as going concern, so that it can continue to provide returns for shareholders and benefit other stakeholders; and

To provide adequate return to shareholders by pricing the products and services commensurately with the level of risk.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or issue new shares. The capital structure of the Company consists of equity comprising of issued share capital and unappropriated profits.

The company does not obtained any financing facility and working with 100% equity financing, therefore no gearing is identified.

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ABBASI & COMPANY (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

The capital adequacy level as required by CDC is calculated as follow:

	2025	2024
	----- Rupees -----	
Total assets	557,633,535	526,505,817
Total liabilities	(214,152,146)	(179,773,983)
Total Capital	343,481,389	346,731,834

While determining the value of the total assets of the TREC holder, notional value of the TRE certificate held by Abbasi & Company (Private) Limited as at June 30, 2022 as determined by Pakistan Stock Exchange has been considered.

29.2 Liquid Capital Balance

Sr No	Head Of Account	Value in Pak Rupees	Hair Cut/ Adjustments	Net Adjusted Value
1. Assets				
1.1	Property & Equipment	208,956,278	208,956,278	-
1.2	Intangible Assets	4,254,706	4,254,706	-
1.3	Investment in Govt. Securities	-	-	-
1.4	Investment in Debt. Securities			
	If listed than:			
	i. 5% of the balance sheet value in the case of tenure upto 1 year.	3,380,548	169,027	3,211,521
	ii. 7.5% of the balance sheet value, in the case of tenure from 1-3 years.	-	-	-
	iii. 10% of the balance sheet value, in the case of tenure of more than 3 years.	-	-	-
	If Unlisted than:			
	i. 10% of the balance sheet value in the case of tenure upto 1 year.	-	-	-
	ii. 12.5% of the balance sheet value, in the case of tenure from 1-3 years.	-	-	-
	iii. 15% of the balance sheet value, in the case of tenure of more than 3 years.	-	-	-
1.5	Investment in Equity Securities			
	i. If listed 15% or VaR of each securities on the cutoff date as computed by the Securities Exchange for respective securities whichever is higher.	43,525,900	7,320,040	36,205,860
	ii. If unlisted, 100% of carrying value.	257,319	257,319	-
1.6	Investment in subsidiaries	-	-	-
1.7	Investment in associated companies/undertaking			
	i. If listed 20% or VaR of each securities as computed by the Securities Exchange for respective securities whichever is higher.	-	-	-
	ii. If unlisted, 100% of net value.	-	-	-
1.8	Statutory or regulatory deposits/basic deposits with the exchanges, clearing house or central depository or any other entity i. 100% of net value	4,750,000	4,750,000	-
1.9	Margin deposits with exchange and clearing house.	7,237,560	7,237,560	-
1.10	Deposit with authorized intermediary against borrowed securities under SLB.	-	-	-
1.11	Other deposits and prepayments	1,062,387	1,062,387	-
1.12	Accrued interest, profit or mark-up on amounts placed with financial institutions or debt securities etc. (Nil)	-	-	-

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ABBASI & COMPANY (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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Sr No	Head Of Account	Value in Pak Rupees	Hair Cut/ Adjustments	Net Adjusted Value
	100% in respect of markup accrued on loans to directors, subsidiaries and other related parties	-	-	-
1.13	Dividends receivables.	-	-	-
1.14	Amounts receivable against Repo financing. Amount paid as purchaser under the REPO agreement. (Securities purchased under repo arrangement shall not be included in the investments.)	-	-	-
1.15	Advances and receivables other than trade Receivables;	-	-	-
	(i) No haircut may be applied on the short term loan to employees provided these loans are secured and due for repayments within 12 months.	14,228,000	14,228,000	-
	(ii) No haircut may be applied to the advance tax to the extent it is netted with provision of taxation .	7,334,168	5,909,980	1,424,188
	(iii) In all other cases 100% of net value	143,180	143,180	-
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.	1,023,558	-	1,023,558
1.17	Receivables from customers			
	i. In case receivables are against margin financing, the aggregate if (i) value of securities held in the blocked account after applying VAR based Haircut, (ii) cash deposited as collateral by the financee (iii) market value of any securities deposited as collateral after applying VaR based haircut. Lower of net balance sheet value or value determined through adjustments.	-	-	-
	ii. In case receivables are against margin trading, 5% of the net balance sheet value. Net amount after deducting haircut	24,374,722	1,218,736	23,155,986
	iii. In case receivables are against securities borrowings under SLB, the amount paid to NCCPL as collateral upon entering into contract. Net amount after deducting haircut	-	-	-
	iv. In case of other trade receivables not more than 5 days overdue, 0% of the net balance sheet value. Balance sheet value	2,573,720	-	2,573,720
	v. In case of other trade receivables are overdue, or 5 days or more, the aggregate of (i) the market value of securities purchased for customers and held in sub-accounts after applying VAR based haircuts, (ii) cash deposited as collateral by the respective customer and (iii) the market value of securities held as collateral after applying VaR based haircuts. v. Lower of net balance sheet value or value determined through adjustments	1,616,324	-	1,616,324
	vi. 100% haircut in the case of amount receivable form related parties.	-	-	-
1.18	Cash and Bank balances			
	I. Bank Balance-proprietary accounts	19,047,911	-	19,047,911
	ii. Bank balance-customer accounts	212,220,128	-	212,220,128
	iii. Cash in hand	1,590,301	-	1,590,301

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ABBASI & COMPANY (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

Sr No	Head Of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
1.19	Subscription money against investment in IPO/ offer for sale (asset)			
	i. No haircut may be applied in respect of amount paid as subscription money provided that shares have not been allotted or are not included in the investments of securities broker.	-	-	-
	ii. In case of investments in IPO where shares have been allotted but not yet credited in CDS account, 25% haircuts will be applicable on the value of such securities.	-	-	-
	iii. In case of subscription in right shares where the shares have not yet been credited in CDS account, 15% or VaR based haircut whichever is higher, will be applied on Right shares.	-	-	-
		-		
1.20	Total Assets	557,576,710	255,507,213	302,069,497
2	Liabilities			
2.1	Trade Payables			
	i. Payable to exchanges and clearing house	-	-	-
	ii. Payable against leveraged market products	-	-	-
	iii. Payable to customers	212,220,128	-	212,220,128
2.2	Current Liabilities			
	i. Statutory and regulatory dues	1,150,066	-	1,150,066
	ii. Accruals and other payables	781,952	-	781,952
	iii. Short-term borrowings	-	-	-
	iv. Current portion of subordinated loans	-	-	-
	v. Current portion of long term liabilities	-	-	-
	vi. Deferred Liabilities	-	-	-
	vii. Provision for bad debts	-	-	-
	viii. Provision for taxation	1,424,188	-	1,424,188
	ix. Other liabilities as per accounting principles and included in the financial statements	1,220,368	-	1,220,368
2.3	Non Current Liabilities			
	i. Long-Term financing	-	-	-
	ii. Staff retirement benefits	-	-	-
	iii. Other liabilities as per accounting principles and included in the financial statements	-	-	-
2.4	Subordinated Loans			
	100% of Subordinated loans which fulfill the conditions specified by SECP are allowed to be deducted	-	-	-
2.5	Total Liabilities	216,796,702	-	216,796,702
3	Ranking Liabilities Relating to			
3.1	Concentration in Margin Financing			
	The amount calculated client-to- client basis by which any amount receivable from any of the financees exceed 10% of the aggregate of amounts receivable from total financees.	-	-	-

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ABBASI & COMPANY (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

Sr No	Head Of Account	Value in Pak Rupees	Hair Cut/ Adjustments	Net Adjusted Value
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			
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:	-	-	-
	(b) in any other case : 12.5% of the net underwriting commitments			
3.4	Negative equity of subsidiary			
	The amount by which the total assets of the subsidiary (excluding any amount due from the subsidiary) exceed the total liabilities of the subsidiary	-	-	-
3.5	Foreign exchange agreements and foreign currency positions	-	-	-
	5% of the net position in foreign currency.Net position in foreign currency means the difference of total assets denominated in foreign currency less total liabilities denominated in foreign currency			
3.6	Amount Payable under REPO	-	-	-
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.	-	689,050	689,050
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	-	-	-

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ABBASI & COMPANY (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

Sr No	Head Of Account	Value in Pak Rupees	Hair Cut/ Adjustments	Net Adjusted Value
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) In case of proprietary positions, the market value of shares sold short in ready market and not yet settled increased by the amount of VAR based haircut less the value of securities pledged as collateral after applying haircut.	-	-	-
3.11	Total Ranking Liabilities	-	689,050	689,050
Calculations Summary of Liquid Capital				
	(i) Adjusted value of Assets (serial number 1.20)			302,069,497
	(ii) Less: Adjusted value of liabilities (serial number 2.5)			(216,796,702)
	(iii) Less: Total ranking liabilities (series number 3.11)			(689,050)
				84,583,745

29.3 Basis of measurement

The statement has been prepared under historical cost convention except investment in listed securities which are measured on fair value. Commission may issue guidelines and clarifications in respect of the treatment of any component of Liquid Capital including any modification, deletion and inclusion in the calculation of Adjusted value of assets and liabilities to address any practical difficulty.

30 Transactions with related parties

The related parties comprise of major shareholder, associated undertakings, entities under common directorship and key management personnel. Significant transactions with related parties are as follows:

Name of related party and basis of relationship	Detail of transactions	2025	
		Shares sold	Shares purchased
		----- Rupees -----	
1) Syed M. Ismail Abbasi - <i>Chief Executive</i>	No transaction during the year	-	-
2) Syed Farooq Ali Abbasi - <i>Director</i>	No transaction during the year	-	-
3) Syed Awais Ali Abbasi - <i>Director</i>	Trading of shares	1,349,409	2,592,957
4) Mrs. Yasmeen Ismial - <i>Shareholder</i>	Trading of shares	359,000	-
5) Syed M. Umar Abbasi - <i>Shareholder</i>	Trading of shares	100	100
		1,708,509	2,593,057
Name of related party and basis of relationship	Detail of transactions	2024	
		Shares sold	Shares purchased
		----- Rupees -----	
1) Syed M. Ismail Abbasi - <i>Chief Executive</i>	No transaction during the year	-	-
2) Syed Farooq Ali Abbasi - <i>Director</i>	No transaction during the year	-	-
3) Syed Awais Ali Abbasi - <i>Director</i>	Trading of shares	61,874,831	60,945,823
4) Mrs. Yasmeen Ismial - <i>Shareholder</i>	Trading of shares	5,271,719	13,453,775
5) Syed M. Umar Abbasi - <i>Shareholder</i>	Trading of shares	398,992	396,113
		67,545,542	74,795,711

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Statement Date	30-Jun-25
Submission Date	15-Aug-25
Security Rate as of	30-Jun-25

Due Date	15-Aug-25
New/Revision	

Name of TREC Holder	Abbasi & Company (Private) Limited.
Incorporation #	0039660
TREC #	311
Participant ID #	03228
Clearing Member #	

SECURITIES AS PER BACK OFFICE RECORD									Section-A: Details relating to securities										SECURITIES AS PER CDC RECORD							
Description	House Account		Director/ Sponsors/CEO /Shareholder Account		Employees Account		Client Account		Description	House Account		Director/ Sponsors/CEO /Shareholder		Employees		Clients' account		Description	House Account		Director/ Sponsors/CEO /Shareholder		Employees		Clients' account	
	Number of Securities	Value of Securities	Number of Securities	Value of Securities	Number of Securities	Value of Securities	Number of Securities	Value of Securities		Number of Securities	Value of Securities	Number of Securities	Value of Securities	Number of Securities	Value of Securities	Number of Securities	Value of Securities		Number of Securities	Value of Securities	Number of Securities	Value of Securities	Number of Securities	Value of Securities	Number of Securities	Value of Securities
Securities held	3,133,792	73,870,199	678,189	1,322,870	165,926	10,321,673	223,985,382	10,266,974,646	Securities available	498,500	33,190,150	559,440	476,190	165,926	10,321,673	106,794,048	8,612,214,325	Securities pledged with PSX/ NCCPL	75,000	10,335,750	-	-	-	-	72,000	11,631,570
									Securities pledged with Banks	-	-	-	-	-	-	-	-	Securities pledged with Banks	-	-	-	-	-	-	1,842,145	227,668,583
									Freeze shares	-	-	-	-	-	-	-	-	Freeze shares	-	-	-	-	-	-	107,980,557	1,256,736,587
									Securities in Blocked a/c	-	-	-	-	-	-	-	-	Securities in Blocked a/c	-	-	-	-	-	-	-	-
									Pending In	-	-	-	-	-	-	-	-	Pending In	-	-	-	-	-	-	127,039	5,275,857
									Pending out	-	-	-	-	-	-	-	-	Pending out	-	-	-	-	-	-	20,428	-
									Reconciling entries:									Reconciling entries:								
									1 Pre-settlement delivery	-	-	-	-	-	-	-	-	1 Pre-settlement delivery	-	-	-	-	-	-	-	-
									2 MF Securities	-	-	-	-	-	-	-	-	2 MF Securities	-	-	-	-	-	-	-	-
									3 MTS securities	2,560,292	30,344,299	118,749	846,680	-	-	-	-	3 MTS securities	-	-	-	-	-	-	7,249,165	153,427,925
									4 Physical shares	-	-	-	-	-	-	-	-	4 Physical shares	-	-	-	-	-	-	-	-
									5 Right Shares subscription	-	-	-	-	-	-	-	-	5 Right Shares subscription	-	-	-	-	-	-	-	-
									6 Short delivery from NCCPL	-	-	-	-	-	-	-	-	6 Short delivery from NCCPL	-	-	-	-	-	-	-	-
									7 Square up transaction	-	-	-	-	-	-	-	-	7 Square up transaction	-	-	-	-	-	-	-	-
									Others:									Others:								
									1 e.g. (Securities appearing in CDC but not mentioned in back office or vice versa)	-	-	-	-	-	-	-	-	1 e.g. (Securities appearing in CDC but not mentioned in back office or vice versa)	-	-	-	-	-	-	(100,000)	-
									2 Self Released PSD	-	-	-	-	-	-	-	-	2 Self Released PSD	-	-	-	-	-	-	-	-
	3,133,792	73,870,199	678,189	1,322,870	165,926	10,321,673	223,985,382	10,266,974,646		3,133,792	73,870,199	678,189	1,322,870	165,926	10,321,673	223,985,382	10,266,974,646		3,133,792	73,870,199	678,189	1,322,870	165,926	10,321,673	223,985,382	10,266,974,646

Section-B: Details relating to Funds or Cash										CASH SEGREGATION									
Opening					Closing					Opening					Closing				
Trade Payable					418.00					Cash at Bank as per Bank Statement					185,817,134				217,861,867
Director / Sponsors					850,739					Bank Reconciling entries:					715,000				1,012,427
Employees					177,305,281					1 Un-cleared cheque					(7,858,196)				(6,436,681)
Client										2 Un-presented cheque					-				1,015
										3 Bank Charges					(517,500)				(218,500)
										4 Entry made by bank not recorded in GL					-				-
										5 Others					-				-
										Cash at Bank as per Bank Ledger					178,156,438				212,220,128
										Add: Other Reconciling Entries					-				-
										1 PSX Future exposure					-				-
										2 PSX Ready exposure					-				-
										3 Profit Held by PSX					-				-
										4 SLR market exposure					-				-
										5 Receivable from NCCPL					-				-
										6 Concentration Margin					-				-
										7 MTS finance exposure					-				-
										8 Provisional Exposure					-				-
										9 Others					-				-
										Total of Reconciling Entries					-				-
Grand Total					178,156,438			212,220,128	Grand Total					178,156,438				212,220,128	
									Excess / (Shortfall)										

Section-C: Details relating to amount deposited and withdrawn by clients of the brokerage house										UNDERTAKING BY THE BROKERAGE HOUSE									
Particulars					Amount														
Amount deposited by the clients during the period					2,084,047,746					We hereby declare that the information furnished in this statement is true, correct and complete and understand that we shall be bound to submit to Pakistan Stock Exchange Limited (PSX), all the relevant information and/or supporting document(s) that the PSX may require to verify the above information at any time. We also declare that securities have been pledged with prior written consent/ approval of the clients. We further acknowledge and agree that in case of non-submission of this statement or submission of incorrect, inaccurate or misleading information in this statement, the PSX shall initiate disciplinary action(s) in accordance with relevant provisions of PSX Regulations.									
Amount withdrawn by the clients during the period					4,454,657,627														
Comments (if any)																			

COMPLIANCE OFFICER

CEO/ COMPANY SECRETARY



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ABBASI & COMPANY (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

32 Remuneration of chief executive and directors

The aggregate amount charged in the financial statements for the year for remuneration, including certain benefits, to the Chief Executive and full time working Directors of the Company are as follows:

	Chief Executive		Directors		Executives	
	2025	2024	2025	2024	2025	2024
	Rupees		Rupees		Rupees	
Remuneration	3,898,209	2,827,125	8,115,527	6,746,213	24,397,168	25,721,885
Provident fund	102,497	150,354	147,999	232,353	645,753	1,009,006
	<u>4,000,706</u>	<u>2,977,479</u>	<u>8,263,526</u>	<u>6,978,566</u>	<u>25,042,921</u>	<u>26,730,891</u>
No. of persons	<u>1</u>	<u>1</u>	<u>2</u>	<u>2</u>	<u>12</u>	<u>18</u>

32.1 The Company also provides the Executive with cars for personal and business use.

2025	2024
Number of persons	

33 Number of employees

Average number of employees during the year

48	46
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Total number of employees as at June 30th

47	47
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34 Employees provident fund

The Company has maintained an employees' provident fund trust and 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. The information of the fund is based on the audited financial statements of the fund as follows:

	Note	2025	2024
		Rupees	
Size of fund		24,499,381	25,442,078
Cost of investments made	34.1	24,499,381	25,442,078
Percentage of investments made		100%	100%
Fair value of investments		<u>24,499,381</u>	<u>25,442,078</u>

34.1 These represents investment in shares of listed equity securities fund and balance

Balance in scheduled banks in saving account	24,088,181	25,179,978
Investment in shares	411,200	262,100
	<u>24,499,381</u>	<u>25,442,078</u>

35 Details of securities pledged

	2025	2024	2025	2024
	Number of shares		Rupees	
House account	75,000	1,031,000	10,335,750	13,266,480
Client account	1,914,145	68,422,487	239,299,953	14,598,889,124
	<u>1,989,145</u>	<u>69,453,487</u>	<u>249,635,703</u>	<u>14,612,155,604</u>

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ABBASI & COMPANY (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

36 Pattern of share holding

Directors and their spouse (S) And Minor Children	Shares held in 2025	Percentage
Syed Muhammad Ismail Abbasi	3,686,790	52.59%
Syed Awais Ali Abbasi	3,505	0.05%
Syed Farooq Ali Abbasi	641,638	9.15%
Mrs. Yasmeen Ismail	904,419	12.90%
Syed Muhammad Umar Abbasi	1,774,648	25.31%
	<u>7,011,000</u>	<u>100%</u>

37 Events after the reporting period

There are no other significant events after the reporting period which may require adjustment or disclosure in these financial statements.

38 Date of authorization for issue

These financial statements have been approved and authorized for issue on October 03, 2025 by the Board of Directors of the company.

39 General

- Figures have been rounded off to the nearest rupee.

per page

Muhammad Ismail
Chief Executive

Abbasi
Director

Directors' Report to the Members

For the year ended June 30, 2025

The Board of Directors of **Abbasi & Company (Private) Limited** (the **Company**) is pleased to present its annual report together with the audited financial statements for the financial year ended **June 30, 2025**.

Economic Outlook

During FY **2024–25**, Pakistan's economy showed early signs of stabilization following a period of acute fiscal and external pressures. Real GDP growth is estimated at **2.6%–2.7%**, reflecting a modest recovery led by improvements in **agriculture** and **services**, while **industrial activity** remained constrained by high input costs and energy shortages.

Inflation, elevated in the prior year, **eased meaningfully**, enabling a **measured reduction in policy rates** by the central bank. The **current account** improved on account of controlled imports and stronger **remittances**, contributing to a buildup of **foreign exchange reserves** and firmer macroeconomic stability. Fiscal consolidation continued under the government's reform agenda with an emphasis on **broadening the tax base** and **rationalizing non-development expenditures**.

Despite these positive developments, the growth momentum remains **fragile** due to structural challenges: a narrow revenue base, inefficiencies in the energy sector, and subdued private investment. Even so, the outlook for FY **2024–25** remained **cautiously optimistic**, with expectations of improving investor confidence, moderated inflation, and greater policy continuity—foundations for a steady recovery in economic and capital-market activity.

Financial Performance and Analysis

During the year under review, the Company continued to operate as a **TREC Holder** of both the **Pakistan Stock Exchange (PSX)** and the **Pakistan Mercantile Exchange (PMEX)**. Despite volatility across capital and commodity markets, operating performance improved, supported by **higher client activity** and **prudent financial management**.

- **Brokerage / Operating Revenue** reached **PKR 92.52 million** (FY 2024: **PKR 72.50 million**), driven by stronger trading volumes and effective business-development initiatives.
- The Company recorded a **realized loss on investments** of **PKR 0.10 million** and an **unrealized gain** of **PKR 0.76 million**, primarily reflecting fair-value movements in listed securities.
- **Other income** totaled **PKR 18.14 million**, comprising income from deposits, margin financing, and miscellaneous sources.
- **Administrative and operating expenses** increased to **PKR 106.93 million** (FY 2024: **PKR 98.04 million**) due to inflationary pressures and continued investment in technology infrastructure. Cost discipline helped contain the impact.

- **Operating loss** improved to **PKR 13.75 million**, compared to **PKR 21.13 million** in the prior year, reflecting stronger revenues and ongoing efficiency measures.

Summary of Key Financials

Particulars	FY 2025 (PKR)	FY 2024 (PKR)
Brokerage / Operating Revenue	92,523,945	72,504,883
Realized Loss on Investment	(100,855)	(10,052,422)
Unrealized Gain on Investment	758,807	14,462,110
Gross Profit	93,181,897	76,914,571
Administrative & Operating Expenses	(106,933,507)	(98,041,674)
Operating Loss	(13,751,610)	(21,127,103)
Other Income	18,144,355	18,270,849

External Auditor

The present external auditor, **M/s Parker Russell-A.J.S., Chartered Accountants**, retires at the conclusion of the Annual General Meeting and, being eligible, has offered itself for appointment for the financial year ending **June 30, 2026**. On the recommendation of the **Audit Committee**, the Board of Directors proposes the **re-appointment** of **M/s Parker Russell-A.J.S., Chartered Accountants** as the Company's external auditor for the ensuing year, at a remuneration to be fixed by the Board.

Cash Dividend

The Board of Directors has recommended **no final cash dividend** for the year under review. However, an **interim cash dividend of PKR 0.75 per share** was declared and paid during the year.

Credit Rating

During the year, the **Pakistan Credit Rating Agency (PACRA)** maintained the Company's **Broker Fiduciary Rating (BFR2)** and **Broker Management Rating (BMR2)**, with a **Stable Outlook**—reflecting sound capitalization, prudent risk management practices, and a strong governance framework. The stable outlook signifies the Company's demonstrated ability to meet its financial and operational obligations in a timely manner, supported by effective internal controls.

Major Achievements

- Sustained strong growth in brokerage income despite challenging market conditions.
- Strengthened internal compliance and risk management in line with **PSX** and **PMEX** regulations.
- Expanded digital capabilities, including adoption of **Raast** and **QR-based** payment solutions for secure, efficient client transactions.
- Enhanced operational efficiency through process automation and upgraded back-office systems.
- Maintained a diversified client base with continued focus on both **institutional** and **retail** investor engagement.
- Successfully implemented the **CDC** digital account-opening initiative **ASAAN Connect** (formerly **CGP**); **ACPL** has ranked among the **top ten brokers** for account-opening participation since the portal's inception.
- Recognized as **among the emerging brokerage firms at PMEX**, reflecting growing presence in the commodities segment.

Statement of Compliance with the Code of Corporate Governance

The Company has, for the year ended June 30, 2025, complied with the requirements of the Code of Corporate Governance as set out in the applicable rulebooks of the Pakistan Stock Exchange Limited (PSX) and the Pakistan Mercantile Exchange Limited (PMEX). The Board of Directors has ensured that management has adopted sound corporate practices, implemented effective internal control procedures, and maintained proper books of account, applied appropriate accounting policies consistently, and followed the applicable financial reporting framework in the preparation of the financial statements. The system of internal control is in place and is effectively overseen by the Audit Committee.

This Statement of Compliance is being presented as part of the Annual Report in accordance with the Corporate Governance Code for Securities Brokers applicable to non-listed brokerage houses, and the Board remains committed to transparency, accountability, and integrity in implementing good governance across the organization.

Corporate Social Responsibility (CSR)

The Company remains committed to creating a positive societal impact. During the year, an aggregate amount of **PKR 3,575,964** was allocated toward CSR activities. These contributions reflect our dedication to aligning business objectives with broader social and environmental goals. Management continues to explore opportunities to expand CSR initiatives in line with the Company's values and long-term sustainability vision.

Future Outlook

The Company remains **optimistic** about its growth prospects; however, management remains cautious given the recent flood situation in Pakistan, which could slow the pace of economic activity in the near term. Building on the rise in brokerage income and continued diversification of revenue streams, management is focused on strengthening profitability in the coming years. To this end:

- The Company is revamping its entire back-office (ERP) system to enable the introduction of multiple products, scale operations, improve client experience, and provide greater visibility in risk management.
- The Company has heavily invested to launch a new trading system with improved UX/UI—expanding access to broader investment opportunities and enhancing client facilitation. This initiative is directly linked to the implementation of the new back-office (ERP) system.
- The Company is actively evaluating the acquisition of a **Security Manager License** and a **Shariah-compliant brokerage license** from **SECP**, which will broaden the service offering and enhance market presence, subject to the implementation and transition to the new back-office (ERP) system.
- The Company has introduced **Government debt securities** and plans to roll them out to **retail clients** through its new mobile app.

These strategic initiatives are expected to support revenue growth, sharpen operating efficiency, and strengthen overall financial performance, ensuring **sustainable growth**.

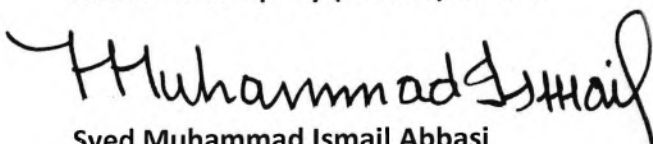
The Company will continue to prioritize technology-enabled solutions, strategic client development, and rigorous standards of governance and compliance. With anticipated market stability and improving investor confidence, management expects steady progress in both brokerage and investment segments over the coming year.

Acknowledgment

The Board of Directors places on record its appreciation for the dedication and hard work of the Company's management and staff. We are grateful to our **clients, business partners, and regulators** for their continued trust and support.

We pray to **ALLAH (SWT)** for the continued success of our Company, the well-being of our employees, and the prosperity of our country. **Ameen.**

For and on behalf of the Board of Directors
Abbasi & Company (Private) Limited



Syed Muhammad Ismail Abbasi
Chief Executive Officer

October 03, 2025



ABBASI & COMPANY

(PRIVATE) LIMITED

TREC Holder: Pakistan Stock Exchange Limited.

Universal Member: Pakistan Mercantile Exchange Limited.

TO THE MEMBER OF ABBASI & COMPANY (PRIVATE) LIMITED.

It is to inform that there are no transactions entered into by Abbasi & Company Private Limited during the year, which are fraudulent, illegal or in violation of any securities market laws or futures market laws.

The compliance with regards to above has been mentioned in the Directors Report with reference to compliance to Code of Corporate Governance.

Syed Muhammad Ismail Abbasi
Chief Executive Officer
October 03, 2025



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