

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF 128 SECURITIES (PRIVATE) LIMITED**

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements **128 SECURITIES (PRIVATE) LIMITED** (the Company), which comprise the statement of financial position as at June 30, 2025, and the statement of profit or loss, the statement of comprehensive income, the statement of cash flows, the statement of changes in equity for the year then ended and notes to the financial statements, including material accounting 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 purpose 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 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2025 and of the profit and other comprehensive Income, its cash flows and the changes in equity for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the 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 those not include the financial statements and our auditor's report thereon.

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

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

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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 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 is 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 IASs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risk 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 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.

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

We communicate with those charged with governance and the board of directors, 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 accounts 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 cash flows and the statement of changes in equity together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of accounts and returns;
- Investment 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 relevant requirements of the Securities Brokers (Licensing and Operation) Regulation 2016 as of the date on which the statement of financial position was prepared.

Other Matter

The financial statements of the **128 SECURITIES (PRIVATE) LIMITED** for the year ended June 30, 2024 were audited by M/s Alam & Aulakh Chartered Accountants who expressed an unmodified opinion on those statements on September 14, 2024.

The engagement partner on audit resulting in this independent auditor's report is Muhammad Naeem, FCA.

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M Naeem & Co.

Naeem & Co.
Chartered Accountants

NAEEM & CO.
CHARTERED ACCOUNTANTS

Place: Lahore
Date: October 07, 2025

UDIN: AR20251019064I35U9dC

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128 SECURITIES (PRIVATE) LIMITED**Statement of Financial Position**

As at June 30, 2025

		2025	2024
	Note	Rupees	Rupees
ASSETS			
Non-current assets			
Property and equipment	4	1,359,432	1,137,714
Intangible assets	5	2,500,000	2,500,000
Long term investment	6	-	-
Long term deposits	7	817,285	467,285
Deferred tax asset	8	-	-
		4,676,717	4,104,999
Current assets			
Trade debts	9	-	-
Loans and advances	10	2,112,104	4,015,592
Deposits, prepayments and other receivables	11	4,637,378	2,335,907
Tax refunds due from Government	12	677,559	913,028
Short term investments	13	15,666,329	9,835,247
Markup accrued		911,568	-
Cash and bank balances	14	2,334,431	97,895
		26,339,370	17,197,669
		31,016,087	21,302,668
EQUITY & LIABILITIES			
Share capital and reserves			
Share capital	15	69,274,000	69,274,000
Revenue Reserve			
Unappropriated loss		(40,035,367)	(48,783,860)
Total equity		29,238,633	20,490,140
Current liabilities			
Trade and other payables	16	1,777,454	115,152
Provision for taxation	17	-	697,376
		1,777,454	812,528
Contingencies and commitments	18	-	-
		31,016,087	21,302,668

The annexed notes from 1 to 34 form an integral part of these financial statements.



Chief Executive Officer

Director

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Statement of Profit or Loss

For the period ended June 30, 2022

	Note	2022 Rupees	2021 Rupees (Restated)
Brokerage and commission	19	23,714,918	13,827,197
Direct Cost	20	(2,418,948)	(971,955)
		21,295,970	12,855,241
Operating and administrative expenses	21	(14,918,607)	(13,145,506)
Other operating expenses	22	(171,790)	(742,653)
Other income	23	11,313,850	2,550,241
		(13,796,547)	(13,337,918)
PROFIT/ (LOSS) FROM OPERATIONS		9,508,443	(482,676)
Financial charges	24	(99,309)	(943)
PROFIT/ (LOSS) BEFORE LEVIES AND INCOME TAX		9,409,134	(483,619)
Levies	25	(638,610)	(697,376)
PROFIT / (LOSS) BEFORE TAXATION		8,770,524	(1,180,995)
Income tax			
Current	26	(22,031)	-
PROFIT/(LOSS) FOR THE YEAR		8,748,493	(1,180,995)

The annexed notes from 1 to 34 form an integral part of these financial statements.

Chief Executive Officer



Director

128 SECURITIES (PRIVATE) LIMITED
Statement of Comprehensive Income
For the year ended June 30, 2025

	Note	2024 Rupees	2024 Rupees
Profit/(loss) for the year		8,748,493	(1,180,995)
Other comprehensive income for the year		-	-
Total comprehensive income/(loss) for the year		<u>8,748,493</u>	<u>(1,180,995)</u>

The annexed notes from 1 to 34 form an integral part of these financial statements.



Chief Executive Officer



Director

128 SECURITIES (PRIVATE) LIMITED
Statement of Changes In Equity
For the year ended June 30, 2025

	Share capital	Revenue Reserve	Capital Reserve	
	Issued, subscribed and paid-up capital	Unappropriated profit/ (loss)	Unrealized surplus / (deficit) on re-measurement of Investments measured at FVOCI	Total
Rupees.....			
Balance as at June 30, 2023	69,274,000	(41,721,958)	(5,880,906)	21,671,136
Total comprehensive income/(loss) for the year				
Profit/(loss) for the year	-	(1,180,995)	-	(1,180,995)
Transfer to capital reserve	-	(5,880,906)	5,880,906	
	-	(7,061,901)	5,880,906	(1,180,995)
Balance as at June 30, 2024	69,274,000	(48,783,860)	-	20,490,140
Total comprehensive income/(loss) for the year				
Profit/(loss) for the year	-	8,748,493	-	8,748,493
	-	8,748,493	-	8,748,493
Balance as at June 30, 2025	69,274,000	(40,035,367)	-	29,238,633

The annexed notes from 1 to 34 form an integral part of these financial statements.



 Chief Executive Officer





 Director

128 SECURITIES (PRIVATE) LIMITED
Statement of Cash Flows

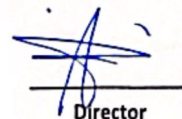
For the year ended June 30, 2025

	Note	2025 Rupees	2024 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit /(loss) before levies and income tax		9,409,134	(483,619)
Adjustments:			
Depreciation	4	345,282	225,544
Realized loss on sale of short-term investments	13	100,246	742,653
Unrealized (gain) /loss on short-term investments	13	(4,057,817)	2,753,494
Finance cost		99,309	-
Interest income	23	(5,176,459)	(4,202,122)
Dividend income	19	(1,774,108)	(871,405)
		(10,463,547)	(1,351,837)
Operating profit/(loss) before working capital changes		(1,054,413)	(1,835,456)
(Increase)/decrease in current assets			
Trade debts	9	-	-
Loans and advances	10	1,903,488	(118,189)
Deposits, prepayments and other receivables	11	(2,301,471)	(3,179,978)
Increase/(decrease) in current liabilities			
Trade and other payables	16	1,662,302	(66,315)
		1,264,319	(3,364,482)
Cash generated (used in) operations		209,906	(5,199,938)
Interest income	23	4,264,891	4,202,122
Finance cost paid		(99,309)	
Taxes paid		(1,122,548)	(848,238)
		3,043,034	3,353,884
Net cash generated from /(used in) operating activities		3,252,940	(1,846,054)
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property and equipment	4	(567,000)	486,110
Increase in long-term deposits	7	(350,000)	-
Short term Investments		(1,873,511)	561,673
Dividend income received		1,774,108	871,405
Net cash (used in)/generated from investing activities		(1,016,403)	1,919,188
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		-	-
Net cash generated from / (used in) financing activities		-	-
Net (decrease)/increase in cash and cash equivalents		2,236,537	73,134
Cash and cash equivalents at the beginning of the year		97,895	24,761
Cash and cash equivalents at the end of the year	14	2,334,431	97,895

The annexed notes from 1 to 34 form an integral part of these financial statements.



Chief Executive Officer

Director

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

1 COMPANY AND ITS OPERATION

- 1.1** 128 Securities (Private) Limited (the Company) was incorporated as a private limited company (limited by shares) in Pakistan under the Companies Ordinance, 1984 (now the Companies Act, 2017) on June 01, 2006. The Company is a corporate member of the Pakistan Stock Exchange Limited. The Company is primarily engaged in brokerage of shares, stocks, purchase and sale of securities, financial consultancy, underwriting, portfolio management and securities research. The registered office of the Company is located at Room No. M-12, Mezzanine floor, Lahore Stock Exchange Building, 19-Khayaban-e-Aiwan-e-Iqbal, Lahore. During the year ended June 30, 2023, the company was converted to "Trading Only" category of securities broker as specified in the Securities Brokers (Licensing and Operations) Regulations, 2016.

The company is holder of Trading Right Entitlement Certificate (TREC) of Pakistan Stock Exchange.

2 BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the accounting and reporting standards as

applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

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

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

2.2 BASIS OF MEASUREMENT

These financial statements have been prepared under the historical cost convention except as disclosed in the accounting policy notes.

These financial statements have been prepared on accrual basis accounting concept.

2.3 FUNCTIONAL AND PRESENTATION CURRENCY

The financial statements are presented in Pakistani Rupee, which is the company's functional and presentation currency. Amounts presented in the financial statements have been rounded off to the nearest of Rs. / Rupees, unless otherwise stated.

2.4 JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

Judgments and estimates made by management that may have a significant risk of material adjustments to the financial statements in subsequent years are as follows:

- Useful lives, residual values and depreciation method of property and equipment- **Note 3.1**
- Useful lives, residual values and amortization method of intangible assets- **Note 3.2**
- Valuation of investment in Quoted shares- **Note 3.3**
- Current income tax expense, provision for current tax and recognition of deferred tax asset- **Note 3.11**
- Estimation of provisions - **Note 3.13**
- Estimation of contingent liabilities- **Note 3.14**

3 MATERIAL ACCOUNTING POLICY INFORMATION

3.1 PROPERTY AND EQUIPMENT

Initial Recognition

All items of property and equipment are initially recorded at cost.

Subsequent measurement

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses (if any).

Depreciation, Judgments and estimates

Depreciation is charged on reducing balance method at the rates mentioned in the relevant notes to the financial statements. Depreciation on additions is charged from the month in which an asset is ready to use while no depreciation is charged for the month on which an asset is disposed off. Normal repair and maintenance is charged to revenue as and when incurred, while major renewals and replacements are capitalized. The useful lives, residual values and depreciation method are reviewed on a regular basis. The effect of any changes in estimate is accounted for on a prospective basis.

Disposal

The gain or loss arising on disposal or retirement of an item of property and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognized as income or expense in the statement of profit or loss.

Impairment

The assets that are subject to depreciation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. If there is an indication of possible impairment, the recoverable amount of the asset is estimated and compared with its carrying amount.

An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount. The impairment loss is recognized in the statement of profit or loss.

An impairment loss is reversed only to the extent that the asset carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized. The Company recognizes the reversal immediately in the statement of profit or loss.

3.2 INTANGIBLE ASSETS

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

Intangible assets with indefinite useful lives are not amortized. These are annually tested for impairment to assess whether these are in excess of their recoverable amounts, and where the carrying amounts exceeds the estimated recoverable amounts, the carrying amounts are written down to the estimated recoverable amounts. Intangible assets with definite useful life are amortized on straight line basis.

3.2.1 Membership card and offices

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

3.3 FINANCIAL ASSETS

Financial assets are classified in the following categories: Held-to-maturity, at fair value through profit or loss, available-for-sale and loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

3.3.1 Held to Maturity

The investments with fixed maturity, if any, that the company has to positive intent and ability to hold to maturity. Held to maturity investments are initially measured at fair value plus transaction costs and are subsequently stated at amortized cost using the effective interest rate method less impairment, if any. These are classified as current and non-current assets in accordance with nature of investment.

3.3.2 At fair value through profit or loss

Investments classified as held for trading are included in the category of financial assets at fair value through profit or loss. These are listed securities that are acquired principally for the purpose of generating a profit from short term fluctuations in price or dealer's margin.

All investments are initially recognized at cost, being the fair value of the consideration given excluding acquisition charges with the investment. After initial recognition, investments are measured at their fair values. Unrealized gains and losses on investments are recognized in profit or loss of the period. Fair values of these securities representing listed equity and debt securities are determined by reference to stock exchange quoted market prices at the close of the business on reporting date.

3.3.3 Available-for-sale

Investments which are intended to be held for an undefined period of time but may be sold in response to the need for liquidity or changes in interest rates are classified as available-for-sale.

Subsequent to initial recognition at cost, these are premeasured at fair value. The Company uses latest stock exchange quotations to determine the fair value of its quoted investments whereas fair value of investments in un-quoted companies is determined by applying the appropriate valuation techniques. Gains or losses on available-for-sale investments are recognized directly in statement of profit or loss until the investments are sold or disposed-off, or until the investments are determined to be impaired, at that time cumulative gain or loss previously recognized in statement of profit or loss, is re-classified from equity to profit or loss as re-classification adjustment.

3.3.4 Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than twelve months after the reporting date, which are classified as non-current assets. Loans and receivables comprise trade debts, loans, advances, deposits, other receivable and cash and bank balances in the statement of financial position.

3.4 FINANCIAL LIABILITIES

Financial liabilities are initially measured at cost, which is the fair value, of the consideration given and subsequently carried at amortized cost using effective interest rate method.

3.5 OFF-SETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

A financial asset and a financial liability is offset and the net amount is reported in the financial statements if the Company has a legally enforceable right to set-off the transaction and also intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

3.6 LONG TERM DEPOSITS

These are initially stated at cost which represents the fair value of consideration paid. These are subsequently measured at fair value less impairment , if any.

3.7 TRADE DEBTS AND OTHER RECEIVABLES

Trade and other receivables are recognised and carried at transaction price less an allowance for impairment.

A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is recognised in the statement of profit or loss. Bad debts are written-off in the statement of profit or loss on identification.

The allowance for doubtful debts of the Company is based on the ageing analysis and management's continuous evaluation of the recoverability of the outstanding receivables. In assessing the ultimate realisation of these receivables, management considers, among other factors, the creditworthiness and the past collection history of each customer.

3.8 DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

These are included in current assets, except for maturities greater than twelve months after the reporting date, which are classified as non-current assets.

3.9 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise of cash balances and call deposits. For the purpose of statement of cash flows; cash and cash equivalents comprise cash in hand, bank balances and running finances. The cash and cash equivalents are readily convertible to known amount of cash and are therefore subject to insignificant risk of changes in value.

3.10 SHARE CAPITAL

Ordinary shares are classified as equity and recognized at their face value.

3.11 TAXATION

Levies

Tax charged under Income Tax Ordinance, 2001 which is not based on taxable income or any amount paid / payable in excess of the calculation based on taxable income or any minimum tax which is not adjustable against future income tax liability is classified as levy in the statement of profit or loss and other comprehensive income as these levies fall under the scope of IFRIC 21/IAS 37.

Current

Provision for current taxation is based on taxable income at the current rates of taxation after considering rebates and tax credits available, if any. The charge for the current tax also includes adjustments where necessary, relating to prior years which arise from assessment framed / finalized during the year.

Deferred

Deferred tax is provided using the statement of financial position liability method, on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statement. The amount of deferred tax provided is based on the expect manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the financial reporting dates.

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

The carrying amount of all deferred tax assets are reviewed at each financial reporting date and reduced to the extent, if it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized.

Off-setting

Deferred tax assets and liabilities are offset if there is a legally enforceable right to set off current tax assets against current tax liabilities, and they relate to income taxes levied by the same tax authority.

3.12 TRADE AND OTHER PAYABLES

Trade and other payables are recognised initially at cost, which is the fair value of the consideration to be paid, in the future for goods and services received and subsequently measured at amortized cost.

3.13 PROVISIONS

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value using a pre-tax discount rate. The unwinding of the discount is recognised as finance cost in the statement of profit or loss.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

As the actual outflows can differ from estimates made for provisions due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amounts of provisions are reviewed at each reporting date and adjusted to take account of such changes. Any adjustments to the amount of previously recognised provision is recognised in the statement of profit or loss unless the provision was originally recognised as part of cost of an asset.

3.14 CONTINGENT LIABILITIES

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

3.15 IMPAIRMENT OF NON-FINANCIAL ASSETS

The assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. If there is an indication of possible impairment, the recoverable amount of the asset is estimated and compared with its carrying amount.

An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount. The impairment loss is recognised in the statement of profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

An impairment loss is reversed only to the extent that the asset carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. The Company recognises the reversal immediately in the statement of profit or loss, unless the asset is carried at a revalued amount in accordance with the revaluation model. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

3.16 REVENUE RECOGNITION

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable, net of any direct expenses and sales tax. Revenue is recognized on the following basis:

- Brokerage, consultancy and advisory fee, commission etc. are recognized as and when such services are provided, and thereby the performance obligations are satisfied.
- Profit on saving accounts, profit on exposure deposits and markup on marginal financing is recognized at effective yield on time proportion basis.
- Gains/(losses) arising on sale of investments are included in the profit or loss in the period in which they arise.
- Dividend income is recorded when the right to receive the dividend is established.
- 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.
- Other revenues are recorded, as and when due, on accrual basis.

3.17 RELATED PARTY TRANSACTIONS

Transactions and contract with related parties are carried at arm's length and at market rate. Non-arm's length transactions are made after obtaining the approval from board of directors.

3.18 METHOD OF PREPARATION OF CASH FLOW STATEMENT

The cash flow statement is prepared using indirect method.

3.19 TRADE DATE ACCOUNTING

All "regular way" purchases and sales of financial assets are recognized on the trade date, i.e. the date on which the Company commits to purchase or sell an asset. Regular way purchases or sales of financial assets are those, the contract for which requires delivery of assets within the time frame generally established by regulation or convention in the market.

3.20 CHANGE IN ACCOUNTING POLICY

During the year the Institute of Chartered Accountant of Pakistan (ICAP) have withdrawn the Technical Release 27 and issued guidance - "Application Guidance on Accounting for Minimum Taxes and Final Taxes". The said guidance requires certain amounts of tax paid under minimum tax (which is not adjustable against future income tax liability) and final tax regime to be shown separately as a levy instead of showing it in current tax.

Accordingly, the impact has been incorporated in these financial statements retrospectively in accordance with the requirement of applicable reporting framework. There has been no effect on the statement of financial position, the statement of changes in equity, the statement of cash flows and earning per share as a result of this change except the following effect on statement of profit or loss:

	Had there been no change in accounting	Impact of change in accounting policy	After incorporating effects of change in accounting policy
For the year ended June 30, 2025			
Levy	-	(638,610)	-
Profit before taxation	9,409,134	(638,610)	8,770,524
Taxation	(660,641)	638,610	(22,031)
Profit for the year	8,748,493	-	8,748,493
For the year ended June 30, 2024			
Levy	-	(697,376)	(697,376)
Profit before taxation	(483,619)	(697,376)	(1,180,995)
Taxation	(697,376)	697,376	-
Loss for the year	(1,180,995)	-	(1,180,995)

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Notes To The Financial Statements
For the year ended June 30, 2025

4 PROPERTY AND EQUIPMENT

Particulars	2025							Net Book Value as at June 30 2025	Rate %
	Cost			Accumulated Depreciation					
	As at June 30 2024	Additions / (Disposals)	As at June 30 2025	As at June 30 2024	Charge for the year	As at June 30 2025			
	----- Rupees -----								
Office equipment	3,031,374	547,000	3,578,374	2,262,741	284,453	2,547,194	1,031,180	30	
Furniture and fixtures	1,252,332	-	1,252,332	1,084,335	25,200	1,109,535	142,797	15	
Vehicles	1,599,500	-	1,599,500	1,461,091	20,761	1,481,852	117,648	15	
Accounting Software	2,479,916	20,000	2,499,916	2,417,241	14,868	2,432,109	67,807	20	
2025	8,363,122	567,000	8,930,122	7,225,408	345,282	7,570,690	1,359,432		

Particulars	2024						Net Book Value as at June 30 2024	Rate %
	Cost			Accumulated Depreciation				
	As at July 01 2024	Additions / (Disposals)	As at June 30 2024	As at July 01 2024	Addition/ Disposal during the year	As at June 30 2024		
	----- Rupees -----							
Office equipment	2,545,264	486,110	3,031,374	2,106,938	155,803	2,262,741	768,633	30
Furniture and fixtures	1,252,332	-	1,252,332	1,054,689	29,646	1,084,335	167,997	15
Vehicles	1,599,500	-	1,599,500	1,436,666	24,425	1,461,091	138,409	15
Accounting Software	2,479,916	-	2,479,916	2,401,572	15,669	2,417,241	62,675	20
2024	7,877,012	486,110	8,363,122	6,999,865	225,543	7,225,408	1,137,714	

4.1	Note	Percentage	2025 Rupees	2024 Rupees
Allocation of Depreciation:				
Operating and administrative Expense	21	100%	345,282	225,544

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Notes To The Financial Statements
For the year ended June 30, 2025

	Note	2025 Rupees	2024 Rupees
5 INTANGIBLE ASSETS			
Trading Rights Entitlement Certificate ("TREC")	5.1	2,500,000	2,500,000
		<u>2,500,000</u>	<u>2,500,000</u>
Impairment		-	-
		<u>2,500,000</u>	<u>2,500,000</u>
<p>5.1 This represents Trading Right Entitlement Certificate (TREC) received from the Pakistan Stock Exchange Limited without any additional payment, in lieu of TREC issued by the Lahore Stock Exchange Limited, surrendered on, January 10, 2016 on the consequence of Scheme(s) of Integration approved by the Securities and Exchange Commission of Pakistan vide Order No. 01/2016 dated February 16, 2021 under regulation 6 (8) of the Stock Exchange (Corporatization, Demutualization and Integration) Regulations, 2012. These have been carried at cost less accumulated impairment .</p>			
6 LONG-TERM INVESTMENT			
Investments at fair value through OCI			
LSE Financial Services Limited (unquoted) - opening		-	9,006,813
Adjustment for remeasurement to fair value			
Shares transferred to short term investment		-	(9,006,813)
		<u>-</u>	<u>-</u>
<p>6.1 During the year ended June 30, 2024 the share of LSE Capital Limited(LSECL) has been classified into short term investment</p>			
7 LONG-TERM DEPOSITS			
Central Depository Company of Pakistan Limited		100,000	100,000
National Clearing Company of Pakistan Limited-through ECLEAR Services Limited		350,000	-
Security deposits-Building		367,285	367,285
		<u>817,285</u>	<u>467,285</u>
8 DEFERRED TAXATION			
Deferred credits/(debits) arising due to:			
Taxable temporary difference			
Accelerated depreciation		37,761	-
Punjab worker welfare fund payable		20,748	-
		<u>58,509</u>	<u>-</u>
Deductible temporary difference			
Short term Investment		(644,083)	-
Taxable losses carried forward	8.2	(2,604,661)	-
		<u>(3,248,744)</u>	<u>-</u>
Net deferred tax asset		(3,190,235)	-
Deferred tax asset not recognised	8.1	3,190,235	-
Deferred Tax Asset		<u>-</u>	<u>-</u>

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Notes To The Financial Statements
For the year ended June 30, 2025

	Note	2025 Rupees	2024 Rupees
8.1 Unrecognised deferred tax assets			
Deferred tax assets have not been recognised, because it is probable that future taxable profits under normal tax regime will not be available against which the Company can use the benefits therefrom.			
8.2 Deferred tax asset on unused business losses will lapse after 6 years of loss occurred.			
9 TRADE DEBTS			
Considered good		-	-
Considered doubtful		-	6,137,064
		<u>-</u>	<u>6,137,064</u>
Less: Provision for doubtful debts	9.1	-	(6,137,064)
		<u>-</u>	<u>-</u>
9.1 Movement in provision against trade debts is as under:			
Opening balance		6,137,064	6,137,064
Amounts written off during the year		-	-
Received during the year		10,000	-
Less: Balance written off		(6,127,064)	-
Closing balance (as at June 30)		<u>-</u>	<u>6,137,064</u>
10 LOANS AND ADVANCES			
Staff advances - unsecured, considered good		446,917	428,587
Receivable from Director - unsecured		1,665,187	3,587,005
		<u>2,112,104</u>	<u>4,015,592</u>
10.1 This loan is provided to director Shahzad haider zaidi.			
10.2 This loan is interest free ,unsecured and is recievable on demand and discretion of the company.			
10.3 Maximum aggregate amount outstanding during the year calculated by the reference to month end balance amount to Rs.1,665,187(2024: 3,560,301)			
11 DEPOSITS, PREPAYMENTS & OTHER RECEIVABLES			
Deposit with ECLEAR Services Limited		4,441,177	2,319,277
Other receivables		196,201	16,630
		<u>4,637,378</u>	<u>2,335,907</u>
	Note	2025 Rupees	2024 Rupees (Restated)
12 TAX REFUNDS DUE FROM GOVERNMENT			
Opening balance		913,028	391,400
Deducted during the year			
Levies		249,605	130,711
Income Tax		872,943	717,527
		<u>1,122,548</u>	<u>848,238</u>
Adjustment made during the year			
Levies		(638,610)	(130,711)
Income tax		(22,031)	(195,899)
Previous year provision		(697,376)	-
		<u>(1,358,017)</u>	<u>(326,610)</u>
		<u>677,559</u>	<u>913,028</u>

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Notes To The Financial Statements
For the year ended June 30, 2025

	Note	2025 Rupees	2024 Rupees
13 SHORT TERM INVESTMENTS	Note		
Quoted - Shares			
Investments in listed securities		15,666,329	9,835,247
		<u>15,666,329</u>	<u>9,835,247</u>

Quoted Equity Securities

	2025		2024	
	Cost	Carrying value	Cost	Carrying value
Quoted shares	19,960,215	15,666,329	18,186,950	9,835,247
Investment in quoted shares	19,960,215	15,666,329	18,186,950	9,835,247

Investment in quoted equity securities

Cost of Investment		19,960,215	18,186,950
Unrealised gain / (loss):			
Balance as at July 01		(8,351,703)	(5,598,209)
Unrealised gain/(loss) for the year		4,057,817	(2,753,494)
Unrealised loss as at year		(4,293,886)	(8,351,703)
		<u>15,666,329</u>	<u>9,835,247</u>

14 CASH AND BANK BALANCES

Saving Account	14.1	2,334,431	97,895
		<u>2,334,431</u>	<u>97,895</u>

14.1 The average markup on saving account is normally ranging from 9% to 15%(2024:same).

15 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

Authorized capital			
1,000,000 (2024: 1,000,000) ordinary shares of PKR 100 each.		100,000,000	100,000,000
Issued, subscribed and paid-up share capital			
692,740 (2024: 692,740) ordinary shares of PKR 100/- each, issued for cash		69,274,000	69,274,000
		<u>69,274,000</u>	<u>69,274,000</u>

15.1 Pattern of Shareholding:

Categories	% age of Shares Held		Number of Shares Held	
	2025	2024	2025	2024
Individual				
Syed kaleem haider zaidi	49.00%	49.00%	339,443	339,443
Syed Sajjad Ali zaidi	46.00%	46.00%	318,660	318,660
Muhammad Shahzad Hader Zai	5.00%	5.00%	34,637	34,637
	<u>100%</u>	<u>100%</u>	<u>692,740</u>	<u>692,740</u>

15.2 There is no variation in voting rights of shareholders (2024: Same)

15.3 The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at general meetings of the company. All shares rank equally with regard to company's residual assets.

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Notes To The Financial Statements
For the year ended June 30, 2025

	Note	2025 Rupees	2024 Rupees
15.4 Reconciliation of number of shares outstanding			
Ordinary shares			
Number of shares outstanding at the beginning of the year		692,740	692,740
Issued for cash		-	-
Issued for consideration other		-	-
Number of shares outstanding at the end of the year		<u>692,740</u>	<u>692,740</u>
16 TRADE AND OTHER PAYABLES			
Trade creditors		-	96,467
Short term loan from Eclear Services Limited	16.1	1,000,000	-
Accrued expense		595,910	18,685
Punjab Worker welfare fund payable	16.2	71,544	-
Auditor's remuneration payable		110,000	-
		<u>1,777,454</u>	<u>115,152</u>
16.1 This short term loan is obtained from the Eclear Services limited for the trading purposes.			
16.2 WORKER WELFARE FUND PAYABLE			
Opening Balance		-	-
Expense accrued during the year		71,544	-
Payment made during the year		-	-
Closing balance		<u>71,544</u>	<u>-</u>
17 PROVISION FOR TAXATION			
Opening balance (as at July 1)		697,376	326,610
Add: Current Year Provision		660,641	697,376
		<u>1,358,017</u>	<u>1,023,986</u>
Less: Adjustment with previous year		(697,376)	(326,610)
Adjustment against current year advance tax		(660,641)	-
Closing balance (as at June 30)		<u>-</u>	<u>697,376</u>
18 CONTINGENCIES AND COMMITMENTS			
18.1 There is no contingencies and commitments as on June 30, 2025.(2024: Same)			
19 BROKERAGE AND COMMISSION			
Brokerage income		29,852,528	16,039,548
Less: Sales tax on services		(4,117,590)	(2,212,351)
		<u>25,734,938</u>	<u>13,827,197</u>
20 DIRECT COST			
Pakistan stock exchange charges		485,097	303,791
Central depository company charges		11,619	-
National clearing company pakistan limited charges		9,224	69,506
Eclear services limited charges		1,924,008	598,658
		<u>2,429,948</u>	<u>971,955</u>

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Notes To The Financial Statements
For the year ended June 30, 2025

	Note	2025 Rupees	2024 Rupees
21 OPERATING AND ADMINISTRATIVE EXPENSES			
Directors' remuneration		2,038,000	1,491,000
Staff Salaries and Other Benefits		6,509,500	5,402,000
Utilities		810,915	684,861
Travelling and vehicle running		4,155,817	2,136,854
Communication		582,088	561,714
Repair and Maintenance		722,510	579,375
Stationery, Printing, Photocopies and Office Supplies		42,753	23,495
Advertisement, Publicity and Promotion		10,000	-
Brokerage and Commission		5,539,742	426,108
Auditors Remuneration	21.1	110,000	-
Rates, Taxes and Cess		895,392	917,153
Lease Expense		-	739,180
Legal and Professional Charges		477,025	407,983
Bad Debts		3,646	2,803
Other expenses		2,530,782	1,547,437
Donation		165,155	-
Depreciation	4.1	345,282	225,544
		<u>24,938,607</u>	<u>15,145,506</u>
21.1 Auditor's remuneration			
Statutory audit		-	-
Certifications and other charges		110,000	-
		<u>110,000</u>	<u>-</u>
22 OTHER OPERATING EXPENSES			
Realised loss on disposal of short term investment		100,246	742,653
Punjab workers' welfare fund	16.2	71,544	-
		<u>171,790</u>	<u>742,653</u>
23 OTHER INCOME			
Profit on deposit with bank		5,176,459	4,202,122
Dividend income		1,774,108	871,405
Liability Written off		96,467	-
Unrealized gain/(loss) on remeasurement of short term investment		4,057,817	(2,753,494)
Miscellaneous income		209,000	230,208
		<u>11,313,850</u>	<u>2,550,241</u>

	Note	2025 Rupees	2024 Rupees
24 FINANCIAL CHARGES			
Bank charges		598	943
Finance charges on short term finance obtained from ECLEAR Services Limited		98,711	-
		<u>99,309</u>	<u>943</u>
	Note	2025 Rupees	2024 Rupees (Restated)
25 LEVIES			
Levies		638,610	697,376
		<u>638,610</u>	<u>697,376</u>
25.1	This represent the portion of the minimum tax/final tax paid under the provision of income tax Ordinance tax 2001,represent the levies of the final statement		
26 Taxation			
Income Tax			
- Current		-	-
-Prior year		22,031	-
		<u>22,031</u>	<u>-</u>
26.1	Income tax assessment of the company has been finalized up to tax year 2024 on the basis of returns filed as the company did not receive any correspondence in this respect		
Classified as			
Levies	25	638,610	697,376
Income tax	26	22,031	-
Expense as profit or loss		<u>660,641</u>	<u>697,376</u>
27 NUMBER OF EMPLOYEES		2025	2024
		Numbers	Numbers
Number of employees as at 30 June		12	12
Average number of employees during the year		12	12
28 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES			

The aggregate amounts charged in the financial statements for remuneration, including benefits, to the chief executive, directors and executives of the Company as per the terms of their employment are as follows:

	2025		2024	
	Remuneration	Number of persons	Remuneration	Number of persons
Chief Executive Officer	578,000	1	975,000	1
Directors	2,038,000	4	450,000	1

Executive means an employee, other than chief executive officer and directors, whose annual gross salary equals or exceed Rs. 1,200,000 during a financial year. There was no person employed during the year whose gross salary exceeds Rs. 1,200,000 per annum.

Note	2025 Rupees	2024 Rupees
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29 RELATED PARTY TRANSACTIONS

Related parties from the Company's perspective comprise of key management personnel, directors and key shareholders of the Company. There are no transactions with related parties, other than those which have specifically been disclosed else where in these financial statements.

Name	Related party	Percentage of Shareholding	Nature of transaction	2025	2024
				Rupees	Rupees
Mr. Muhammad Shahzad Haider Zaidi	CEO	5%	Opening	3,587,005	3,587,005
			Loan received	1,921,818	-
			Loan repaid	-	-
			Closing balance	1,665,187	3,587,005

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Notes To The Financial Statements

For the year ended June 30, 2025

30 CORRESPONDING FIGURES

The corresponding figures have been rearranged and reclassified, wherever considered necessary, for the purposes of comparison and better presentation. However, there was no major reclassification to report except the following:

Reclassification from statement of Financial Position	Reclassification to statement of Financial Position	Heads	2025	2024
			Rupees	Rupees
Statement of profit and loss	OTHER INCOME	Unrealized gain on remeasurement of short term investment	4,057,817	-
	OTHER OPERATING EXPENSES	Realised loss on sale of short term investments	100,246	742,653
		Unrealized loss on remeasurement of short term investment	-	(2,753,494)
BROKERAGE AND COMMISSION	OTHER INCOME	Dividend income	1,774,108	871,405

31 Financial instruments

Financial assets

At amortized cost

	Note	2025 Rupees	2024 Rupees
Long term deposits		817,285	467,285
Loans and advances		2,112,104	4,015,592
Deposits, prepayments and other receivables		4,637,378	2,335,907
Short term investments		15,666,329	9,835,247
Markup accrued		911,568	-
Cash and bank balances		2,334,431	97,895
Total financial assets		23,327,379	16,186,746
At amortized cost			
Trade and other payables		1,777,454	115,152
Total financial liabilities		1,777,454	115,152

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Notes To The Financial Statements

For the year ended June 30, 2025

32 EVENTS AFTER THE REPORTING DATE

There were no events after the end of the reporting date that might need reporting in these financial statements (2024: same).

33 DATE OF AUTHORIZATION OF ISSUE

These financial statements were authorized by the board of directors of the Company for issuance on October 07, 2025.

34 GENERAL

- Amounts have been rounded off to the nearest rupee, unless otherwise stated.



Chief Executive Officer





Director