



Statement of Compliance with Code of Corporate Governance

As required under Clause (10) of Annexure – D of the Securities Brokers (Licensing & Operations) Regulations, 2016:

For the year ended 30 June 2026:

1. The Board of Directors of Asad Mustafa Securities (Private) Limited (the “Company”) acknowledges its responsibility for ensuring that the Company has in place a sound system of internal controls, financial reporting, and corporate governance practices.
2. In doing so, the Board confirms that the Company has complied with the Code of Corporate Governance as prescribed under the Regulations and Annexure D for the year under review.
3. The Board further confirms that:
 - i) Proper books of account have been maintained by the Company.
 - ii) The financial statements prepared by the Company were in accordance with the applicable accounting standards.
 - iii) A system of internal controls and risk management has been designed and implemented for the year and is operating effectively.
 - iv) There are no significant doubts as to the Company’s ability to continue as a going concern for the foreseeable future.
 - v) The Board has formed relevant committees and they have met as required under the Regulations.
 - vi) The Board reviewed the effectiveness of the system of internal controls, the financial reporting process, and the corporate governance practices throughout the year.
4. Based on the above, the Board certifies that to the best of its knowledge and belief, the requirements of Clause (10) of Annexure D have been satisfied.

On behalf of the Board of Directors


Asad Ali Khan
Director




Mustafa Khan
Director

27 October 2026



Asad Mustafa Securities (Pvt) Ltd.

Statement of CEO - Compliance of Corporate Governance Code for Securities and Futures Broker*

To the best of my knowledge and belief, there are no transactions entered into by the Company during the year ended 30 June 2026, which are fraudulent, illegal or in violation of any securities and futures market laws.

Asad Ali Khan
Chief Executive Officer
Asad Mustafa Securities (Private) Limited

27 October 2026



*This statement is given as per the requirements of Clause (9)(a)(iii) of Annexure - D of the Securities Brokers (Licensing & Operations) Regulations, 2016.



Asad Mustafa Securities (Pvt) Ltd.

DIRECTORS' REPORT TO THE SHAREHOLDERS

The Directors of Asad Mustafa Securities (Private) Limited (the “Company”) are pleased to present the Annual Report along with the audited financial statements for the year ended 30 June 2026.

1. FINANCIAL PERFORMANCE

During the year, the Company’s operating revenue, which comprises brokerage income, increased from PKR 1,238,535 to PKR 2,900,865, representing an increase of approximately 134.2%. Direct costs decreased from PKR 676,682 to PKR 565,752, resulting in an increase in gross profit from PKR 561,853 to PKR 2,335,113.

Other income increased from PKR 40,182,055 to PKR 59,212,657, representing an increase of approximately 47.4%. This increase was primarily attributable to realised gains on the disposal of short-term investments of PKR 32,657,237 (2025: PKR 5,082,556). Dividend income amounted to PKR 17,691,250 (2025: PKR 20,481,250), unrealised gains on the remeasurement of short-term investments amounted to PKR 6,937,076 (2025: PKR 12,225,888).

Administrative and general expenses increased moderately from PKR 4,210,469 to PKR 4,502,868. Consequently, profit before levies and taxation increased from PKR 36,475,781 to PKR 57,040,788, representing an increase of approximately 56.4%. Levies, comprising tax on dividend income and capital gains together with minimum tax, increased from PKR 3,681,116 to PKR 7,584,945, reflecting principally the higher capital gains realised during the year. The Company’s profit for the year amounted to PKR 49,455,843, compared to PKR 40,282,038 in the previous year, representing an increase of approximately 22.8%. The profit for the previous year included a deferred tax credit of PKR 7,487,373, whereas no taxation charge or credit arose in the current year.

As at 30 June 2026, the Company’s total assets stood at PKR 333,198,402 (2025: PKR 283,740,617) and shareholders’ equity stood at PKR 333,090,795 (2025: PKR 283,634,952), representing an increase of approximately 17.4%. The Company has no borrowings, and its Capital Adequacy Level as at 30 June 2026, as certified by the Company’s auditors, stood at PKR 333,090,795.

The year under review was characterised by strong activity on the Pakistan Stock Exchange. The benchmark KSE-100 Index gained approximately 44% over the financial year, supported by improving macroeconomic indicators, sovereign credit rating upgrades and Pakistan’s return to international debt markets, while average daily traded volumes and values reached record levels. The second half of the



Asad Mustafa Securities (Pvt) Ltd.

year was, however, marked by heightened volatility arising from regional geopolitical tensions in the Middle East, higher international oil prices and a resurgence in domestic inflation towards the end of the financial year. Against this backdrop, the Company was able to grow its brokerage revenue and realise significant gains on its investment portfolio. Competition within the brokerage and financial services sector nonetheless remains intense, and client retention and acquisition continue to be challenging. The Company remains committed to prudent cost management, service diversification and technological enhancement to strengthen its market position and improve future profitability.

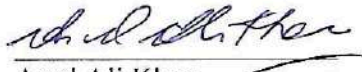
2. MAJOR CHANGES

The Company successfully completed its fourth year as a Trading Only broker. The Company remains satisfied with its decision to transition to the Trading Only status, as this change has continued to enable the Company to focus on marketing and service delivery of its products.

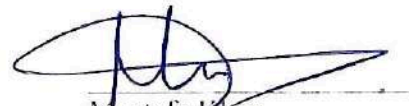
During the year, Abdul Rahman & Co., Chartered Accountants, were appointed as the statutory auditors of the Company and have audited the financial statements for the year ended 30 June 2026. The financial statements for the year ended 30 June 2025 were audited by the Company's previous auditors.

3. EARNINGS

The Company reported earnings of PKR 5.10 per share for the year, compared to PKR 4.15 per share in the previous year, representing an increase of approximately 22.8%. The Board of Directors has decided not to declare any dividend, bonus shares, or right shares for the year under review.


Asad Ali Khan
Director




Mustafa Khan
Director

**ASAD MUSTAFA
SECURITIES (PRIVATE) LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
JUNE 30, 2026**



ABDUL RAHMAN & CO.

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Page 1 of 3

To the members of ASAD MUSTAFA SECURITIES (PRIVATE) LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **ASAD MUSTAFA SECURITIES (PRIVATE) LIMITED**, which comprise the statement of financial position as at June 30, 2026, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss and other 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, 2026 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' International Code of Ethics for Professional Accountants (including International Independence Standards) as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



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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.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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

Report on Other Legal and Regulatory Requirements

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

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business;
- d) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980); and
- e) the Company was in compliance with the requirements of section 78 of the Securities Act, 2015 and the relevant requirements of the Securities Brokers (Licensing and Operations) Regulations, 2016 as at the date on which the statement of financial position was prepared.

Other matter

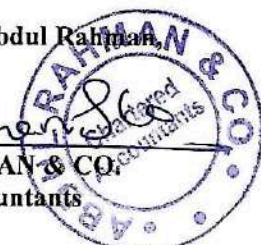
The financial statements for the year ended June 30, 2025 were audited by another auditor who expressed an unmodified opinion on these financial statements on October 07, 2025.

The engagement partner on the audit resulting in this independent auditor's report is **Abdul Rahman**, FCA.

Lahore,
DATED: October 05, 2026

UDIN: AR202610090pOM7KnReQ


ABDUL RAHMAN & CO.
Chartered Accountants



ASAD MUSTAFA SECURITIES (PRIVATE) LIMITED
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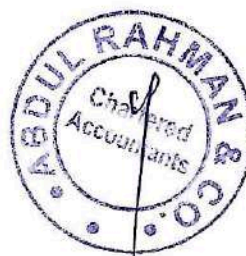


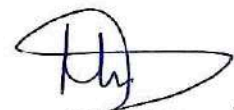
ASAD MUSTAFA SECURITIES (PRIVATE) LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2026

	Note	2026 ----- Rupees -----	2025
ASSETS			
Non-current assets			
Long-term investment	8	62,053,453	60,499,165
Long-term deposits	9	3,050,000	2,850,000
		<u>65,103,453</u>	<u>63,349,165</u>
Current assets			
Deposits and other receivables	10	152,706	389,370
Short-term investments	11	258,635,000	219,904,250
Accrued markup		-	10,480
Cash and bank balances	12	9,307,243	87,352
		<u>268,094,949</u>	<u>220,391,452</u>
TOTAL ASSETS		<u>333,198,402</u>	<u>283,740,617</u>
EQUITY AND LIABILITIES			
Share capital and reserves			
Issued, subscribed and paid-up capital	4	97,000,000	97,000,000
Revenue reserve – unappropriated profit		236,090,795	186,634,952
		<u>333,090,795</u>	<u>283,634,952</u>
Current liabilities			
Trade and other payables	5	80,000	102,606
Taxation and levies – net	6	27,607	3,059
		<u>107,607</u>	<u>105,665</u>
Contingencies and commitments	7		
TOTAL EQUITY AND LIABILITIES		<u>333,198,402</u>	<u>283,740,617</u>

The annexed notes 1 to 28 form an integral part of these financial statements.


CHIEF EXECUTIVE




DIRECTOR

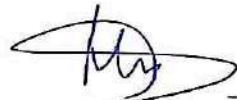
ASAD MUSTAFA SECURITIES (PRIVATE) LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026 ----- Rupees -----	2025
Operating revenue	13	2,900,865	1,238,535
Direct costs	14	(565,752)	(676,682)
Gross profit		2,335,113	561,853
Other income	15	59,212,657	40,182,055
Administrative and general expenses	16	(4,502,868)	(4,210,469)
Other operating expenses	17	-	(56,716)
Operating profit		57,044,902	36,476,723
Finance costs	18	(4,114)	(942)
Profit before levies and taxation		57,040,788	36,475,781
Levies	19	(7,584,945)	(3,681,116)
Profit before taxation		49,455,843	32,794,665
Taxation	20	-	7,487,373
Profit for the year		49,455,843	40,282,038
Other comprehensive income for the year		-	-
Total comprehensive income for the year		49,455,843	40,282,038

The annexed notes 1 to 28 form an integral part of these financial statements.


CHIEF EXECUTIVE




DIRECTOR

ASAD MUSTAFA SECURITIES (PRIVATE) LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2026

	Issued, subscribed and paid-up capital	Revenue reserve – unappropriated profit	Total
	----- Rupees -----		
Balance as at July 01, 2024	97,000,000	146,352,914	243,352,914
Profit for the year	-	40,282,038	40,282,038
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	40,282,038	40,282,038
Balance as at June 30, 2025	97,000,000	186,634,952	283,634,952
Profit for the year	-	49,455,843	49,455,843
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	49,455,843	49,455,843
Balance as at June 30, 2026	97,000,000	236,090,795	333,090,795

The annexed notes 1 to 28 form an integral part of these financial statements.


CHIEF EXECUTIVE




DIRECTOR

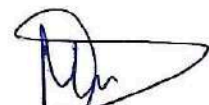
ASAD MUSTAFA SECURITIES (PRIVATE) LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026 ----- Rupees -----	2025
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before levies and taxation		57,040,788	36,475,781
Adjustments for:			
Unrealised gain on remeasurement of short-term investments	15	(6,937,076)	(12,225,888)
Share of profit of subsidiary	8.1	(1,554,288)	(2,029,865)
Markup income	15	(79,551)	(82,577)
Dividend income	15	(17,691,250)	(20,481,250)
Finance costs	18	4,114	942
		(26,258,051)	(34,818,638)
Operating profit before working capital changes		30,782,737	1,657,143
Working capital changes			
Decrease / (increase) in deposits and other receivables		236,664	272,817
(Decrease) / increase in trade and other payables		(22,606)	22,606
		214,058	295,423
Cash generated from operations		30,996,795	1,952,566
Finance costs paid		(4,114)	(942)
Markup received		90,031	72,097
Levies and income tax paid	6	(7,560,397)	(3,692,786)
Short-term investments – net		(31,793,674)	(18,858,662)
		(39,268,154)	(22,480,293)
Net cash used in operating activities		(8,271,359)	(20,527,727)
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividend received		17,691,250	20,481,250
Long-term deposits – net		(200,000)	(295,000)
Net cash generated from investing activities		17,491,250	20,186,250
CASH FLOWS FROM FINANCING ACTIVITIES			
Net cash from financing activities		-	-
Net increase / (decrease) in cash and cash equivalents		9,219,891	(341,477)
Cash and cash equivalents at the beginning of the year		87,352	428,829
Cash and cash equivalents at the end of the year	12	9,307,243	87,352

The annexed notes 1 to 28 form an integral part of these financial statements.


CHIEF EXECUTIVE




DIRECTOR

ASAD MUSTAFA SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

1 THE COMPANY AND ITS OPERATIONS

- 1.1 Asad Mustafa Securities (Private) Limited ("the Company") was incorporated in Pakistan on November 11, 2013 as a private limited company under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). The Company is a holder of a Trading Right Entitlement Certificate (TREC) of Pakistan Stock Exchange Limited (PSX). The principal activities of the Company are brokerage, purchase and sale of securities, investment advisory, financial consultancy, underwriting, portfolio management and securities research.
- 1.2 The registered office of the Company is situated at Room No. 305, South Tower, LSEFSL Tower, 19-Khayaban-e-Aiwan-e-Iqbal, Lahore, Punjab, Pakistan.
- 1.3 The Company is the holding company of NMDA Limited, an unlisted public company incorporated in Pakistan, in which it holds 99.99% of the issued share capital (note 8).
- 1.4 **Summary of significant events and transactions**
There were no significant events or transactions during the year that affected the financial position and performance of the Company, other than those disclosed in these financial statements.

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 for Medium-Sized Companies. The accounting and reporting standards applicable in Pakistan comprise:

(a) 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

(b) Provisions of and directives issued under the Companies Act, 2017.

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

The Company is classified as a Medium-Sized Company in accordance with the Third Schedule to the Companies Act, 2017, and these financial statements have been presented in accordance with the disclosure requirements of the Fifth Schedule to the Act.

2.2 Separate financial statements

These financial statements are the separate financial statements of the Company, in which the investment in subsidiary is accounted for using the equity method, as permitted by paragraph 9.26 of Section 9 'Consolidated and Separate Financial Statements' of IFRS for SMEs.

2.3 Basis of measurement

These financial statements have been prepared under the historical cost convention, except for short-term investments, which are measured at fair value, and the investment in subsidiary, which is accounted for using the equity method.

2.4 Functional and presentation currency

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



ASAD MUSTAFA SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

2.5 Critical accounting estimates and judgements

The preparation of financial statements in conformity with IFRS for SMEs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates and underlying assumptions are based on historical experience and other factors considered reasonable in the circumstances, and are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively. The areas involving a higher degree of judgement or where estimates are significant to these financial statements are:

- (a) fair value of short-term investments (notes 3.2 and 11);
- (b) impairment of the investment in subsidiary and the Trading Right Entitlement Certificate (notes 3.1, 3.3 and 3.5);
- (c) taxation and levies (note 3.8); and
- (d) provisions and contingencies (notes 3.6 and 3.7).

2.6 Standard issued but not yet effective

The IASB issued the third edition of the IFRS for SMEs Accounting Standard in February 2025, effective for annual periods beginning on or after January 1, 2027, subject to its notification by the Securities and Exchange Commission of Pakistan. Management is assessing the impact of the revised standard on the Company's financial statements in the period of initial application.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

3.1 Investment in subsidiary

A subsidiary is an entity controlled by the Company. The investment in subsidiary is accounted for using the equity method. Under this method, the investment is initially recognised at cost, including transaction costs, and is subsequently adjusted to recognise the Company's share of the profit or loss and other comprehensive income of the subsidiary after the date of acquisition. Distributions received from the subsidiary reduce the carrying amount of the investment. The Company's share of the subsidiary's profit or loss is recognised in the statement of profit or loss.

At each reporting date, the Company assesses whether there is any indication that the investment may be impaired. Where such an indication exists, the entire carrying amount of the investment is tested for impairment as a single asset in accordance with Section 27 'Impairment of Assets', and any impairment loss is recognised in profit or loss.



ASAD MUSTAFA SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

3.2 Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of securities are recognised on the trade date, being the date on which the Company commits to purchase or sell the security. Financial instruments are initially measured at the transaction price, including transaction costs, except for financial assets measured at fair value through profit or loss, in respect of which transaction costs are expensed.

Classification and subsequent measurement

(a) Investments in quoted equity securities – Investments in ordinary shares that are publicly traded are measured at fair value, with changes in fair value recognised in the statement of profit or loss, in accordance with paragraph 11.14(c) of IFRS for SMEs. Fair value is determined by reference to the closing quoted prices on PSX at the reporting date. Realised and unrealised gains and losses are included in other income.

(b) Deposits, receivables and bank balances – These are measured at amortised cost using the effective interest method, less any impairment. Balances that are short-term or are non-interest bearing and repayable on demand are measured at the undiscounted amount of cash expected to be received.

(c) Financial liabilities – Trade and other payables are measured at amortised cost. Payables due within one year are measured at the undiscounted amount of cash expected to be paid.

Impairment of financial assets

At the end of each reporting period, the Company assesses whether there is objective evidence that a financial asset measured at amortised cost is impaired. Where such evidence exists, an impairment loss, being the difference between the carrying amount and the present value of estimated future cash flows, is recognised in profit or loss. An impairment loss is reversed where the decrease can be related objectively to an event occurring after the impairment was recognised.

Derecognition

A financial asset is derecognised when the contractual rights to the cash flows expire or are settled, or when substantially all the risks and rewards of ownership are transferred. A financial liability is derecognised when the obligation is discharged, cancelled or expires.

3.3 Trading Right Entitlement Certificate

The Trading Right Entitlement Certificate (TREC) received under the Stock Exchanges (Corporatisation, Demutualisation and Integration) Act, 2012 is stated at cost less accumulated impairment losses, if any. The TREC is pledged with PSX to meet the Base Minimum Capital requirement and is assessed for impairment at each reporting date in accordance with Section 27 'Impairment of Assets'.

3.4 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and balances with banks in current accounts, and are carried at their nominal amounts.

3.5 Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If such an indication exists, the recoverable amount of the asset is estimated, and an impairment loss is recognised in profit or loss to the extent that the carrying amount exceeds the recoverable amount. An impairment loss is reversed only to the extent that the carrying amount does not exceed the amount that would have been determined had no impairment loss been recognised.



ASAD MUSTAFA SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

3.6 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 an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Provisions are measured at the best estimate of the amount required to settle the obligation at the reporting date, and are reviewed and adjusted at each reporting date.

3.7 Contingent liabilities

Contingent liabilities are not recognised; they are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent liability is a possible obligation arising from past events whose existence will be confirmed only by uncertain future events not wholly within the control of the Company, or a present obligation that is not recognised because an outflow is not probable or cannot be measured reliably.

3.8 Taxation and levies

Current tax

Current tax is the tax payable on taxable income for the year under the normal tax regime, calculated using tax rates enacted or substantively enacted at the reporting date, and includes adjustments to tax payable in respect of prior years.

Levies

Taxes on dividend income and on capital gains on listed securities, which are chargeable at specified rates under the Income Tax Ordinance, 2001, and minimum tax under section 113 of the Ordinance in excess of tax on taxable income, are classified as 'Levies' in the statement of profit or loss, in line with the guidance issued by the Institute of Chartered Accountants of Pakistan.

Deferred tax

Deferred tax is recognised in accordance with Section 29 'Income Tax' on temporary differences between the carrying amounts of assets and liabilities and their tax bases. Deferred tax liabilities are recognised for all taxable temporary differences, and deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be utilised.

3.9 Revenue and other income recognition

Revenue is recognised in accordance with Section 23 'Revenue' when it is probable that economic benefits will flow to the Company and the amount can be measured reliably, as follows:

- (a) Brokerage income is recognised on the trade date, when the trade is executed on behalf of the client, being the point at which the service is rendered.
- (b) Fee income from advisory, consultancy and underwriting services is recognised when the related services are rendered.
- (c) Dividend income is recognised when the Company's right to receive payment is established.
- (d) Realised gains and losses on the sale of securities are recognised on the trade date, as the difference between the sale proceeds and the carrying amount of the securities.
- (e) Unrealised gains and losses on remeasurement of investments at fair value through profit or loss are recognised in the period in which they arise.
- (f) Markup on deposits is recognised on a time proportion basis using the effective interest method.
- (g) Share of profit or loss of the subsidiary is recognised under the equity method (note 3.1).
- (h) Other income is recognised on an accrual basis when the right to receive it is established.



ASAD MUSTAFA SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

3.10 Employee benefits

Short-term employee benefits, including salaries and allowances, are recognised as an expense in the period in which the related service is rendered.

3.11 Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position only when the Company has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

3.12 Related party transactions

Transactions with related parties are carried out in the normal course of business on commercial terms, with the approval of the Board of Directors.

3.13 Dividend and appropriations

Dividends and other appropriations to reserves are recognised in the period in which they are approved.



ASAD MUSTAFA SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
		----- Rupees -----	
4 SHARE CAPITAL			
4.1 Authorised share capital			
10,000,000 (2025: 10,000,000) ordinary shares of Rs. 10 each		100,000,000	100,000,000
4.2 Issued, subscribed and paid-up capital			
9,700,000 (2025: 9,700,000) ordinary shares of Rs. 10 each fully paid in cash		97,000,000	97,000,000
4.3 Pattern of shareholding			
Name of shareholder	Holding	Number of shares	
		2026	2025
Mr. Asad Ali Khan – Chief Executive / Director	0.001%	100	100
Mr. Mustafa Khan – Director	78.736%	7,637,400	7,637,400
Ms. Dua Asad Khan	13.531%	1,312,500	1,312,500
Ms. Iram Asad	7.732%	750,000	750,000
	100.000%	9,700,000	9,700,000
4.4	The rights and privileges of shareholders are governed by the Companies Act, 2017 and the rules and regulations made thereunder, and the Memorandum and Articles of Association of the Company. There is no shareholders' agreement in respect of voting rights, board selection, rights of first refusal or block voting.		
4.5	Holders of ordinary shares are entitled to dividends as declared from time to time and to one vote per share at general meetings of the Company. All shares rank equally with regard to the Company's residual assets. There has been no change in the shareholding during the year.		
5 TRADE AND OTHER PAYABLES			
Accrued liabilities		-	100,890
Auditor's remuneration payable		80,000	-
Punjab Workers' Welfare Fund	5.1	-	1,716
		80,000	102,606
5.1 Punjab Workers' Welfare Fund			
Opening balance		1,716	-
Charge for the year	17	-	1,716
Paid / adjusted during the year		(1,716)	-
Closing balance		-	1,716



ASAD MUSTAFA SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026 ----- Rupees -----	2025
6 TAXATION AND LEVIES – NET			
Opening balance		3,059	14,729
Provision for the year			
Income tax	20	-	-
Levies	19	7,584,945	3,681,116
		<u>7,584,945</u>	<u>3,681,116</u>
Tax deducted at source during the year			
Income tax		(13,314)	(774,807)
Levies		(7,544,024)	(2,903,251)
		<u>(7,557,338)</u>	<u>(3,678,058)</u>
Paid during the year		(3,059)	(14,728)
Closing balance		<u>27,607</u>	<u>3,059</u>
7 CONTINGENCIES AND COMMITMENTS			
There were no contingencies or commitments as at the reporting date (2025: Nil).			
8 LONG-TERM INVESTMENT			
Investment in subsidiary – NMDA Limited, at equity method	8.1	62,053,453	60,499,165
8.1 Investment in NMDA Limited			
Cost of investment – 5,999,600 (2025: 5,999,600) ordinary shares of Rs. 10 each		56,996,000	56,996,000
Share of post-acquisition profit			
Opening balance		3,503,165	1,473,300
Share of profit for the year	15	1,554,288	2,029,865
		<u>5,057,453</u>	<u>3,503,165</u>
Carrying amount as at June 30		<u>62,053,453</u>	<u>60,499,165</u>
8.2	The Company holds 99.99% (2025: 99.99%) of the issued share capital of NMDA Limited, an unlisted public company incorporated in Pakistan, with its registered office at 601/1-1 Z, Phase III, DHA, Lahore.		
9 LONG-TERM DEPOSITS			
Trading Right Entitlement Certificate	9.1	2,500,000	2,500,000
eClear Services Limited		200,000	350,000
Deposit against REG and DFC trading – refundable			
		350,000	-
		<u>3,050,000</u>	<u>2,850,000</u>
9.1	Pursuant to the Stock Exchanges (Corporatisation, Demutualisation and Integration) Act, 2012, ownership rights in the stock exchange were segregated from the right to trade, and the Company received shares of the exchange and a TREC against its membership card. As the TREC is not a commonly traded instrument, the value approved by the Board of Directors of PSX after demutualisation has been used as its initial value. The TREC is pledged with PSX to meet the Base Minimum Capital requirement.		



ASAD MUSTAFA SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026 ----- Rupees -----	2025
10 DEPOSITS AND OTHER RECEIVABLES			
Exposure margin with eClear Services Limited		-	150,000
Receivable from eClear Services Limited		152,706	239,370
		<u>152,706</u>	<u>389,370</u>
11 SHORT-TERM INVESTMENTS			
At fair value through profit or loss			
Listed equity securities		258,635,000	219,904,250
		<u>258,635,000</u>	<u>219,904,250</u>
12 CASH AND BANK BALANCES			
Cash at banks – current accounts		9,307,243	87,352
		<u>9,307,243</u>	<u>87,352</u>
13 OPERATING REVENUE			
Brokerage income		2,900,865	1,238,535
		<u>2,900,865</u>	<u>1,238,535</u>
14 DIRECT COSTS			
Central Depository Company charges		18,146	15,765
Back office charges – LSE Financial Services Limited			
		525,456	617,603
Pakistan Mercantile Exchange fee		10,000	10,000
eClear service charges		650	30,209
National Clearing Company of Pakistan trading fee			
		11,500	3,105
		<u>565,752</u>	<u>676,682</u>
15 OTHER INCOME			
Income from financial assets			
Realised gain on disposal of short-term investments		32,657,237	5,082,556
Unrealised gain on remeasurement of short-term investments	15.1	6,937,076	12,225,888
Dividend income		17,691,250	20,481,250
Markup on eClear and NCCPL deposits		79,551	82,577
		<u>57,365,114</u>	<u>37,872,271</u>
Others			
Share of profit of subsidiary	8.1	1,554,288	2,029,865
Miscellaneous receipts		293,255	279,919
		<u>1,847,543</u>	<u>2,309,784</u>
		<u>59,212,657</u>	<u>40,182,055</u>
15.1 Unrealised gain on remeasurement of short-term investments			
For the year		4,858,000	12,225,888
Relating to prior year		2,079,076	-
		<u>6,937,076</u>	<u>12,225,888</u>



ASAD MUSTAFA SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026 ----- Rupees -----	2025
16 ADMINISTRATIVE AND GENERAL EXPENSES			
Salaries, allowances and other benefits		3,457,174	2,774,250
Fees and subscriptions		55,250	11,800
Legal and professional charges		30,000	30,000
Auditor's remuneration	16.1	80,000	80,000
Communication and electricity		136,193	123,238
LSE Room No. 305 charges		409,456	350,889
Trading charges		31,335	817,167
Donation and zakat		300,000	-
Miscellaneous expenses		3,460	23,125
		<u>4,502,868</u>	<u>4,210,469</u>
16.1 Auditor's remuneration			
Audit fee		75,000	80,000
Out-of-pocket expenses		5,000	-
		<u>80,000</u>	<u>80,000</u>
17 OTHER OPERATING EXPENSES			
Balances written off		-	55,000
Punjab Workers' Welfare Fund	5.1	-	1,716
		<u>-</u>	<u>56,716</u>
18 FINANCE COSTS			
Bank charges		<u>4,114</u>	<u>942</u>
19 LEVIES			
Minimum tax under section 113 of the Income Tax Ordinance, 2001		40,921	15,482
Tax on dividend income and capital gains		7,544,024	3,665,634
		<u>7,584,945</u>	<u>3,681,116</u>
20 TAXATION			
Current tax – for the year		-	-
Deferred tax		-	(7,487,373)
		<u>-</u>	<u>(7,487,373)</u>
20.1	The Company has no taxable income under the normal tax regime for the year. Accordingly, tax on dividend income and capital gains, together with minimum tax, has been classified as levies (note 19). The relationship between tax expense and accounting profit has therefore not been presented.		
21 NUMBER OF EMPLOYEES			
Total number of employees as at June 30		4	4
Average number of employees during the year		4	4



ASAD MUSTAFA SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026 ----- Rupees -----	2025
22 FINANCIAL INSTRUMENTS BY CATEGORY			
22.1 Financial assets			
At amortised cost			
Long-term deposits (excluding TREC)	9	550,000	350,000
Deposits and other receivables	10	152,706	389,370
Accrued markup		-	10,480
Cash and bank balances	12	9,307,243	87,352
		<u>10,009,949</u>	<u>837,202</u>
At fair value through profit or loss			
Short-term investments	11	258,635,000	219,904,250
		<u>268,644,949</u>	<u>220,741,452</u>
22.2 Financial liabilities			
At amortised cost			
Trade and other payables (excluding statutory dues)			
	5	<u>80,000</u>	<u>100,890</u>
23 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES			
23.1 No remuneration was paid to the Chief Executive or the Directors during the year (2025: Nil). The aggregate amount charged in these financial statements in respect of executives is as follows:			
Managerial remuneration – executives		<u>2,151,030</u>	<u>1,757,850</u>
Number of persons		1	1
23.2 Executive means an employee, other than the Chief Executive and Directors, whose basic salary exceeds twelve hundred thousand rupees in a financial year.			
24 TRANSACTIONS WITH RELATED PARTIES			
24.1 Related parties comprise the subsidiary company, directors and their close family members, and key management personnel of the Company. Details of related parties with whom the Company had transactions or arrangements during the year are as follows:			
Name of related party	Basis of relationship		
NMDA Limited	Subsidiary – 99.99% holding		
Mr. Asad Ali Khan	Chief Executive / Director		
Mr. Mustafa Khan	Director – 78.74% holding		
24.2 The Company's share of profit of the subsidiary is disclosed in note 8.1 and remuneration of executives in note 23. There were no other transactions with related parties during the year.			



ASAD MUSTAFA SECURITIES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

25 CAPITAL RISK MANAGEMENT

The Company's objective in managing capital is to safeguard its ability to continue as a going concern, to provide returns to shareholders, and to comply with the Base Minimum Capital and capital adequacy requirements of the Securities Brokers (Licensing and Operations) Regulations, 2016 and the PSX Rule Book. The Company manages its capital through its equity and does not carry any borrowings. The Capital Adequacy Level of the Company as at June 30, 2026, computed in accordance with the requirements of PSX, is presented in the annexed certificate.

26 EVENTS AFTER THE REPORTING DATE

There were no events after the reporting date that require adjustment to, or disclosure in, these financial statements.

27 GENERAL

27.1 Figures have been rounded off to the nearest Rupee. Corresponding figures have been rearranged and reclassified, wherever necessary, for the purposes of comparison and better presentation.

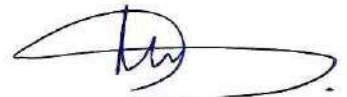
28 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on 05 Oct 2026 by the Board of Directors of the Company.



CHIEF EXECUTIVE





DIRECTOR

ASAD MUSTAFA SECURITIES (PRIVATE) LIMITED
CERTIFICATE OF CAPITAL ADEQUACY LEVEL
AS AT JUNE 30, 2026

We, being the auditors of Asad Mustafa Securities (Private) Limited, certify that the following information is correct and has been authenticated by us after due diligence as at June 30, 2026.

Particulars	Rupees
Total assets	333,198,402
Less: Total liabilities	107,607
Capital Adequacy Level	<u>333,090,795</u>

Notes:

1. In determining the value of total assets of the TREC holder, the notional value of the TREC held as at June 30, 2026, as determined by Pakistan Stock Exchange Limited, has been considered.
2. This Certificate of Capital Adequacy Level is an integral part of the financial statements of the Company for the year ended June 30, 2026.


Abdul Rahman & Co.
Chartered Accountants
Lahore
September 25, 2026



ASAD MUSTAFA SECURITIES (PRIVATE) LIMITED
COMPUTATION OF PROVISION FOR TAXATION AND LEVIES
TAX YEAR 2026 (YEAR ENDED JUNE 30, 2026)

	Rate	Base	Rupees
Income under the normal tax regime			
Brokerage income			2,900,865
Markup on deposits			79,551
Miscellaneous receipts			293,255
Turnover / income under normal tax regime			3,273,671
Less: Direct costs			(565,752)
Less: Administrative and general expenses			(4,502,868)
Less: Finance costs			(4,114)
Taxable income / (loss)			(1,799,063)
 Tax under normal regime	29.00%	-	-
Minimum tax under section 113 on turnover	1.25%	3,273,671	40,921
Tax liability – higher of the above			40,921
 Tax on dividend income			
Dividend taxable at reduced rate	7.50%	110,000	8,250
Dividend taxable at standard rate	15.00%	17,581,250	2,637,188
Tax on capital gains on listed securities	15.00%	32,657,237	4,898,586
Tax on dividend income and capital gains			7,544,024
 Total tax liability for the year			7,584,945
Less: Tax deducted at source			(7,557,338)
Tax payable / (refundable)			27,607

This computation is a working supporting notes 6 and 19 and does not form part of the financial statements.

