

KHAWAJA SECURITIES (PRIVATE) LIMITED

Statement of Financial Position

As at December 31, 2025

ASSETS	Note	Dec-25 Rupees
<u>NON-CURRENT ASSETS:</u>		
Operating Fixed Assets	4	7,811,027
Intangible Assets	5	21,118,980
Long Term Deposits	6	1,500,000
		30,430,007
<u>CURRENT ASSETS:</u>		
Trade Debtors	7	-
Short Term Investments	8	13,609,897
Advance Income Tax	9	1,059,779
Advances, Deposits & Prepayments	10	1,161,927
Cash & Bank Balances	11	1,000,593
		16,832,196
		47,262,203
<u>SHARE CAPITAL & RESERVES:</u>		
Share Capital:		
Issued, Subscribed & Paid Up Capital	12	83,801,850
Revenue Reserve:		
Accumulated Profit / (Loss)		(39,161,839)
Loan from Director		2,300,000
		46,940,011
<u>CURRENT LIABILITIES:</u>		
Trade & Other Payables	13	322,192
Provision for Taxation		-
		322,192
Contingencies and Commitments	14	-
		47,262,203


Chief Executive



Director

KHAWAJA SECURITIES (PRIVATE) LIMITED

Statement of Profit or Loss

For The Period Ended December 31, 2025

	Note	<u>Dec-25</u> Rupees
Operating Revenue		(873,470)
Gain / (Loss) on sale of short term investments - net		-
Fair value gain on remeasurement of investments		(920,173)
Operating and administrative expenses	15	(1,418,355)
Other Income		-
Operating income / (loss)		(3,211,998)
Financial Expenses	16	5,887
Net Profit/ (Loss) Before Taxation		(3,217,885)
Less: Taxation	17	-
Net Profit / (Loss) After Taxation		(3,217,885)
EARNING PER SHARE - Basic and Diluted	18	(0.38)


Chief Executive



Director

KHAWAJA SECURITIES (PRIVATE) LIMITED
Statement of Comprehensive Income
For The Period Ended December 31, 2025

	<u>Dec-25</u> Rupees	
Profit / (Loss) for the year	(3,217,885)	
Other comprehensive income:		
Items that will not be subsequently reclassified in profit or loss:		
Revaluation surplus on property, plant and equipment (net of tax)	<table border="1" style="width: 100px;"><tr><td style="text-align: right;">-</td></tr></table>	-
-		
	-	
Total comprehensive income for the year	<u><u>(3,217,885)</u></u>	


Chief Executive



Director

KHAWAJA SECURITIES (PRIVATE) LIMITED

Statement of Changes in Equity

For The Period Ended December 31, 2025

	Share Capital	Un-Appropriated Profit / (Loss)	Total
Balance As At July 01, 2025	83,801,850	(35,943,954)	47,857,896
Additions for The Year	-	(3,217,885)	(3,217,885)
Balance As At December 31, 2025	<u>83,801,850</u>	<u>(39,161,839)</u>	<u>44,640,011</u>



Chief Executive



Director

KHAWAJA SECURITIES (PRIVATE) LIMITED

Statement of Cash Flows

For The Period Ended December 31, 2025

	<u>Dec-25</u> Rupees
<u>Operating Activities:</u>	
Net Profit/(Loss) Before Taxation	(3,217,885)
Adjustments:	
Financial Expenses	5,887
Depreciation	411,655
Operating Profit/(Loss) Before Working Capital Changes	<u>(2,800,343)</u>
<u>Change in Working Capital:</u>	
(Increase)/Decrease in	
Trade Debtors	9,939,580
Short Term Investments	(2,438,566)
Advance Income Tax	(283,570)
Advances, Deposits & Prepayments	1,330,275
	<u>8,547,719</u>
Increase/(Decrease) in	
Trade & Other Payables	(5,999,586)
Provision for Taxation	(116,271)
	<u>(6,115,857)</u>
Cash Generated Form Operating Activities	<u>(368,481)</u>
Financial Expenses	(5,887)
Taxation	-
Cash Inflow From Operating Activities	<u>(374,368)</u>
<u>Investing Activities:</u>	
Fixed Capital Expenditure	-
Cash Outflow From Investing Activities	-
<u>Financing Activities:</u>	
Capital Issued / Subscribed	-
Short Term Borrowings	-
Cash Outflow From Financing Activities	-
Net Cash inflow	<u>(374,368)</u>
Opening Balance of Cash & Bank	1,374,961
Cash and Bank Balance at end of Year	<u><u>1,000,593</u></u>



Chief Executive



Director

KHAWAJA SECURITIES (PRIVATE) LIMITED

Notes To The Accounts

For The Period Ended December 31, 2025

1. CORPORATE AND GENERAL INFORMATION:

1.1 Legal status and operations

Khawaja 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 December 27, 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 company holds license "Trading Only" category of securities broker as specified in the Securities Brokers (Licensing and Operations) Regulations, 2016.

The company is neither subsidiary nor holding of any other company.

The geographical location and address of the Company's business units is as under:

- The registered office of the Company is located at Room No. G3, Ground Floor, LSE Plaza, 19-Khayaban-e-Aiwan-e-Iqbal, Lahore.

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 Standards for Small and Medium Size 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
- Provisions of and directives issued under the Securities Brokers (Licensing and Operations) Regulations, 2016
- Where provisions of and directives issued under the Companies Act, 2017 and Securities Brokers (Licensing and Operations) Regulations, 2016, differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 and Securities Brokers (Licensing and Operations) Regulations, 2016, have been followed.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except for certain items as disclosed in the relevant accounting policies below.

2.3 Functional and presentation currency

These financial statements are presented in Pakistan Rupee (Rs. / Rupees) which is the Company's functional currency. Amounts presented in the financial statements have been rounded off to the nearest of Rs. / Rupees, unless otherwise stated.

2.4 Key judgements and estimates

The preparation of financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. In addition, it requires management to exercise judgement in the process of applying the Company's accounting policies. The areas involving a high degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are documented in the relevant accounting policies and notes.

The revisions to accounting estimates (if any) are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The accounting policies set out below have been applied consistently to all periods presented in these financial statements:

3.1 Property, plant and equipment and depreciation

Owned assets:

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses if any.

Depreciation is calculated using reducing balance method at the rates stated in note 4.

Depreciation charge commences from the month in which asset is available for use and continues until the month of disposal.

Useful lives, methods and rates of depreciation and residual values are reviewed and adjusted, if appropriate on regular basis. Any change in estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment. Normal repairs and maintenance is charged to revenue as and when incurred, while major renewals and replacements are capitalized.

Gains and losses on disposal of property, plant and equipment are included in current year's income.

3.2 Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment losses, if any.

Amortization is calculated using straight line method at the applicable rates.

Amortization charge commences from the month in which asset is available for use and continues until the month of disposal.

3.3 Impairment

The carrying amounts of the assets are reviewed at each balance sheet date to determine whether there is any indication of impairment loss. If any such indication exists the asset's recoverable amount is estimated in order to determine the extent of impairment loss, if any. Impairment losses are recognized in the profit and loss account.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

3.4 Stores

These are valued at cost using First-In-First-Out (FIFO) method.

3.5 Stock-in-trade

These are valued at lower of cost and net realizable value. Cost is determined as follows:

- Raw material
- In transit
- Work in process
- Finished goods
- Waste

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

3.6 Trade debts

Trade debts are carried at original invoice amount less an estimate made for doubtful receivables, if any, based on a review of all outstanding amounts at the year end. Bad debts are written off when identified.

3.7 Cash and cash equivalents

These are carried in balance sheet at cost. For the purpose of cash flow statement, cash and cash equivalents comprise of cash in hand and balance with banks.

3.8 Trade and other payables

Liabilities for trade and other payables are carried at cost which is the fair value of the consideration to be paid in future for goods and services received.

3.9 Related party transactions and transfer pricing

Transactions with the related parties are carried out at an arm's length price determined in accordance with comparable uncontrolled price method.

3.10 Staff retirement benefits

The company does not operate any staff retirement benefit scheme.

3.11 Provisions

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

3.12 Taxation

Current:

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

3.13 Foreign currency transactions

Transactions in foreign currencies are converted into Pak rupees at the rate of exchange prevailing on the date of transaction. Monetary assets and liabilities in foreign currencies are translated into Pak rupees at the rates of exchange prevailing at the balance sheet date. Exchange gains and losses are included in current year's income.

3.14 Revenue recognition

Revenue from sales is recognized on dispatch of goods to the customers / rendering of services.

Dec-25
Rupees

4	<u>Operating Fixed Assets:</u> As per annexure "A" attached.	7,811,027
5	<u>Intangible Assets</u> Trading Rights Entitlement Certificate (TREC - PSX) Trading Rights Entitlement Certificate (TREC - PMEX) Office LSE Building	2,500,000 2,700,000 15,918,980 21,118,980
6	<u>Long Term Deposits:</u> PMEX Clearing Deposit & Margin NCCPL Security and Basic Deposit	1,000,000 500,000 1,500,000
7	<u>Trade Debts:</u> Considered Good Considered Doubtful Less: Provision for Doubtful Debts	10,738,721 53,106,121 63,844,842 (63,844,842) -
8	<u>Short Term Investment:</u> Investment in Listed Securities	13,609,897
9	<u>Advance Income Tax:</u> Opening Balance Addition during the period Adjustment during the period	967,547 92,232 - 1,059,779
10	<u>Advances, Deposits & Prepayments:</u> Advance to Staff Other Advances	- 1,161,927 1,161,927
11	<u>Cash & Bank Balances:</u> Cash in Hand Cash at Bank - Clients Cash at Bank - Proprietary	30,934 885,320 84,339 1,000,593

Dec-25
Rupees

12	<u>Share Capital:</u>	
12.1	<u>Authorised Share Capital</u>	
	Authorised share capital comprises of 8,500,000 Ordinary shares of Rs. 10 each.	85,000,000
12.2	<u>Issued, Subscribed & Paid Up Capital:</u>	
	Issued, subscribed and paid up capital comprises of: 8,380,185 Ordinary shares of Rs. 10 each paid in cash	83,801,850
13	<u>Trade & Other Payables:</u>	
	Director Loan - Short Term	19,000
	Accrued & other liabilities	303,192
		322,192
14	<u>Contingencies and Commitments:</u>	
14.1	<u>Contingencies</u>	
	There were no contingencies pending against the company as at balace sheet date.	
14.2	<u>Commitments</u>	
	There were no Commitments pending against the company as at balace sheet date.	
15	<u>Operating and administrative expenses:</u>	
	Director's remuneration	-
	Staff salaries, allowances and other benefits	175,000
	Office Electricity, Water, Gas	-
	Telephone and internet charges	172,865
	Rent, rates & taxes	124,091
	Repair and maintenance	-
	PSX charges	223,479
	Fee & subscription	270,075
	Auditors' remuneration	-
	Miscellaneous expense	41,190
	Depreciation	411,655
		1,418,355
14	<u>Financial Charges:</u>	
	Bank Charges	5,887
	Markup / Interest	-
		5,887
15	<u>Taxation:</u>	
	Current Tax	
	- Current year	-
	- Prior Year	-
		-

Dec-25
Rupees

16 **Earnings per Share:**

Basic Earnings per Share:

Profit after tax for the year Rupees (3,217,885)

Paid up capital No. of shares 8,380,185

Basic Earning per share Rupees (0.38)

Diluted Earnings per Share:

Diluted earnings per share has not been presented as the company does not have any convertible instruments in issue as at balance sheet date which would have any effect on the earnings per share.

17 **Related Party Transactions:**

There were no related party transactions during the financial year.

18 **Corresponding Figures:**

Figures have been re-arranged and regrouped where necessary. No significant re-classification has been made in the financial statements.

19 **Events after the end of the Reporting Date:**

There were no significant events after the balance sheet date that should be reported in the financial statements.



Chief Executive



Director

KHAWAJA SECURITIES (PRIVATE) LIMITED

Schedule of Property, Plant & Equipment

For The Period Ended December 31, 2025

Particulars	Book Value			Depreciation		W.D.V.
	As At 01-07-2024	Addition / (Deletion)	As At 31-12-2024	Rate %	For The Year	As At 31-12-2024
Owned:						
Vehicles	8,106,724	-	8,106,724	10%	405,336	7,701,388
Office Equipment	106,494	-	106,494	10%	5,325	101,169
Computer Equipment	956	-	956	30%	143	813
Furniture & Fixture	8,508	-	8,508	20%	851	7,657
Total	8,222,682	-	8,222,682		411,655	7,811,027