



ALAM & AULAKH

Chartered Accountants

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

Report on the Audit of the Financial Statements

Opinion

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



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We communicate with 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:

- (a) Proper books of accounts have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- (b) The statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of 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;
- (c) Investment made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- (d) No zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).
- (e) The Company was in compliance with the 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 **ABM SECURITIES (PRIVATE) LIMITED** for the year ended June 30, 2024 were audited by M/s AMIN MUDASSAR & CO, Chartered Accountants who expressed an unmodified opinion on those statements on October 07, 2024.

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

ALAM & AULAKH
CHARTERED ACCOUNTANTS



Place: Lahore
Date: October 07, 2025

UDIN: AR202510041g2WVxfrsF

ABM SECURITIES (PVT.) LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025

	Note	2025 Rupees	2024 Rupees
ASSETS			
NON CURRENT ASSETS			
Property and equipment	4	312,170	251,541
Intangible assets	5	1,562,433	1,562,433
Long term Security deposits	6	350,000	-
Deferred taxation	14	-	-
		<u>2,224,603</u>	<u>1,813,974</u>
CURRENT ASSETS			
Trade debts	7	-	-
Loans and advances	8	82,000	97,000
Short term investments	9	29,131,099	14,879,395
Deposits, prepayments and other receivables	10	2,841,924	1,951,402
Tax refunds due from government	11	-	-
Accrued Markup Receivable		78,119	-
Cash and bank balances	12	418,305	71,820
		<u>32,551,447</u>	<u>16,999,617</u>
		<u><u>34,776,050</u></u>	<u><u>18,813,591</u></u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital			
Share capital	13	18,300,000	18,300,000
Revenue reserve			
Accumulated profit		12,764,536	(1,274,129)
		<u>31,064,536</u>	<u>17,025,871</u>
		<u><u>*31,064,536</u></u>	<u><u>17,025,871</u></u>
NON CURRENT LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	15	604,115	771,388
Loan from Director	16	3,104,000	994,000
Provision for levies and taxation	17	3,399	22,332
		<u>3,711,514</u>	<u>1,787,720</u>
CONTINGENCIES AND COMMITMENTS			
	18	-	-
		<u><u>34,776,050</u></u>	<u><u>18,813,591</u></u>

The annexed notes from 1 to 32 form an integral part of these financial statements.

Neelam Barlas Mirza
CHIEF EXECUTIVE

Wajid
DIRECTOR

ABM SECURITIES (PVT.) LIMITED
STATEMENT OF PROFIT OR LOSS
AS AT JUNE 30, 2025

	Note	2025 Rupees	2024 Rupees
Brokerage and commission	19	4,188,281	3,881,630
Direct cost	20	(804,110)	(340,251)
		<u>3,384,171</u>	<u>3,541,379</u>
Operating and administrative expenses	21	(6,469,897)	(5,514,595)
Other operating expenses	22	(695,500)	(1,879)
Other income	23	18,233,971	2,079,316
		<u>11,068,574</u>	<u>(3,437,158)</u>
Finance cost	24	(11,774)	(10,268)
PROFIT BEFORE LEVIES AND INCOME TAX		<u>14,440,971</u>	<u>93,953</u>
Levies	25	(402,306)	(225,147)
PROFIT/(LOSS) BEFORE INCOME TAX		<u>14,038,665</u>	<u>(131,194)</u>
Income tax			
- Current year	26	-	-
- Deferred tax		-	-
PROFIT/(LOSS) AFTER INCOME TAX		<u><u>14,038,665</u></u>	<u><u>(131,194)</u></u>

The annexed notes from 1 to 32 form an integral part of these financial statements.

Neelam Barlas Mirza
CHIEF EXECUTIVE

Waqar
DIRECTOR

ABM SECURITIES (PVT.) LIMITED
STATEMENT OF COMPREHENSIVE INCOME
AS AT JUNE 30, 2025

	2025 Rupees	2024 Rupees
Profit/(Loss) For The Year	14,038,665	(131,194)
Other comprehensive income for the year	-	-
Total comprehensive income / (loss) for the year	14,038,665	(131,194)

The annexed notes from 1 to 32 form an integral part of these financial statements.

Neelam Barlas Mirza
CHIEF EXECUTIVE

Wajid
DIRECTOR

ABM SECURITIES (PVT.) LIMITED
STATEMENT OF CASH FLOWS
AS AT JUNE 30, 2025

	Note	2025 Rupees	2024 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before levies and taxation		14,440,971	93,953
Adjustments of items not involving movements of cash:			
Depreciation	4	57,691	41,940
Dividend income	23	(2,495,468)	(1,185,732)
Finance cost	24	11,774	
Realised gain on disposal of short term investment		-	432,648
Interest Income		(323,420)	
Realised loss on sale of Capital securities		686,628	-
Unrealized gain on remeasurement of short term investment	9	(15,237,621)	(337,437)
		(17,300,416)	(1,048,580)
Operating cash Flows Before Working capital changes		(2,859,445)	(954,628)
(Increase) / Decrease in Working Capital			
(Increase) / decrease in current assets			
Deposits, prepayments and other receivables	10	(890,522)	(412,938)
Loan and advances	8	15,000	(92,000)
Increase / (decrease) in current liabilities			
Trade and other payables	15	(167,273)	325,022
		(1,042,795)	(179,916)
Cash Used In Operations		(3,902,240)	(1,134,544)
Taxes and levies paid	11	(421,239)	(180,429)
Interest received		245,301	-
Finance cost paid	24	(11,774)	-
		(187,712)	(180,429)
Net Cash Used In Operations		(4,089,952)	(1,314,973)
CASH FLOWS FROM INVESTING ACTIVITIES			
Short term investments - net		299,289	(893,570)
Dividend received		2,495,468	1,185,732
Long term deposits		(350,000)	-
Additions in property and Equipment		(118,320)	(37,600)
Net Cash Flows generated from Investing Activities		2,326,437	254,562
CASH FLOWS FROM FINANCING ACTIVITIES			
Loan from director	16	2,110,000	994,000
Net Cash Flows generated from financing activities		2,110,000	994,000
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		346,485	(66,410)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		71,820	138,230
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	A	418,305	71,820

The annexed notes from 1 to 32 form an integral part of these financial statements.

Neelam Barlas Misra
CHIEF EXECUTIVE

W. Jayashankar
DIRECTOR

ABM SECURITIES (PVT) LIMITED
STATEMENT OF CHANGES IN EQUITY
AS AT JUNE 30, 2025

Share Capital	Revenue Reserves	Share deposit money	Total
Paid up share capital	Accumulated profits		

----- (R u p e e s) -----

Balance as at June 30, 2023	15,000,000	(1,142,935)	3,300,000	17,157,065
Share deposit money adjusted during the year	3,300,000	-	(3,300,000)	-
Loss after income tax	-	(131,194)	-	(131,194)
Balance as at June 30, 2024	18,300,000	(1,274,129)	-	17,025,871
Profit after Income Tax	-	14,038,665	-	14,038,665
Balance as at June 30, 2025	18,300,000	12,764,536	-	31,064,536

The annexed notes from 1 to 32 form an integral part of these financial statements.

Neelam Barlas Mirza

CHIEF EXECUTIVE

Wajesh

DIRECTOR

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

1 COMPANY AND ITS OPERATION

- 1.1** The Company was incorporated in Pakistan as Private Limited Company on June 22, 2007 under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). The company is engaged in the business of share brokerage and investment in securities. The registered office of the company is situated at Room No. 509, 5th Floor, Lahore Stock Exchange Building, 19-Khyayaban-e-Aiwan-e-Iqbal, Lahore.
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**

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

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 for the day On which an asset is ready to use while no depreciation is charged for the day 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. Assets with definite useful life are amortised 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.

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

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.

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

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 or amortization, if any.

3.7 TRADE DEBTS

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.

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

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.

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

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.

ABM SECURITIES (PVT) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025
4 PROPERTY AND EQUIPMENT

Particulars	Cost		Rate %	Depreciation		WDV As at June 30, 2025
	As at June 30, 2024	Additions		As at June 30, 2024	Charge for the year	
	----- R u p e e s -----			----- R u p e e s -----		
OWNED						
Furniture and fittings	639,062	-	10	597,306	4,176	37,580
Computers	787,363	80,650	30	715,660	36,829	115,525
Electric equipments	290,862	37,670	10	152,780	16,686	159,066
	1,717,287	118,320		1,465,746	57,691	312,170

Particulars	Cost		Rate %	Depreciation		WDV As at June 30, 2024
	As at June 30, 2023	Additions		As at June 30, 2023	Charge for the year	
	----- R u p e e s -----			----- R u p e e s -----		
OWNED						
Furniture and fittings	639,062	-	10	592,666	4,640	41,756
Computers	749,763	37,600	30	693,703	21,957	71,703
Electric equipments	290,862	-	10	137,437	15,343	138,082
	1,679,687	37,600		1,423,806	41,940	251,541

4.1 Allocation of Depreciation:

	Note	2025	2024
Operating expenses	21	57,691	41,940

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

	Note	2025 Rupees	2024 Rupees																
5 INTANGIBLE ASSETS																			
Rights of room		500,000	500,000																
Trading right entitlement certificate (TREC)	5.1	1,062,433	1,062,433																
		<u>1,562,433</u>	<u>1,562,433</u>																
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 January 11, 2016 under regulation 6 (8) of the Stock Exchange (Corporatization, Demutualization and Integration) Regulations, 2012. This is stated at cost less accumulated impairment.																			
6 LONG TERM SECURITY DEPOSITS																			
Eclearn Services Limited	6.1	350,000	-																
		<u>350,000</u>	<u>-</u>																
7 TRADE DEBTS																			
Receivable from clients on account of:																			
Purchase of shares on behalf of clients		-	678,255																
Less: Provision for doubtful debts	7.1	-	(678,255)																
		<u>-</u>	<u>-</u>																
7.1 Movement is as follows																			
Opening balance		678,255	720,755																
provision made during the year		8,872	-																
(Reversal) of provision during the year	23	(687,127)	(42,500)																
		<u>-</u>	<u>678,255</u>																
8 LOANS AND ADVANCES																			
Advances to: (unsecured but considered good)																			
Employees		82,000	97,000																
		<u>82,000</u>	<u>97,000</u>																
9 SHORT TERM INVESTMENTS																			
Quoted shares																			
Investments in listed securities	9.2	29,131,099	14,879,395																
		<u>29,131,099</u>	<u>14,879,395</u>																
9.1 Quoted Equity Securities																			
<table border="1"> <thead> <tr> <th colspan="2">2025</th><th colspan="2">2024</th></tr> <tr> <th>Cost</th><th>Carrying value</th><th>Cost</th><th>Carrying value</th></tr> </thead> <tbody> <tr> <td>9,101,005</td><td>29,131,099</td><td>10,086,922</td><td>14,879,395</td></tr> <tr> <td>Investment in quoted shares</td><td>9,101,005</td><td>10,086,922</td><td>14,879,395</td></tr> </tbody> </table>				2025		2024		Cost	Carrying value	Cost	Carrying value	9,101,005	29,131,099	10,086,922	14,879,395	Investment in quoted shares	9,101,005	10,086,922	14,879,395
2025		2024																	
Cost	Carrying value	Cost	Carrying value																
9,101,005	29,131,099	10,086,922	14,879,395																
Investment in quoted shares	9,101,005	10,086,922	14,879,395																
9.2 This includes shares having value of Rs. 16,057,856 (2024: Rs. 8,932,796) pledged with National Clearing Company of Pakistan Limited.																			

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

	Note	2025 Rupees	2024 Rupees
9.3 Reconciliation of gain on remeasurement of equity securities at fair value through profit and loss			
Cost of investment		9,101,005	10,086,922
Unrealised gain:			
Balance as at July 01		4,792,473	3,450,185
Unrealised gain for the year		15,237,621	1,342,288
		20,030,094	4,792,473
Balance as at June 30		29,131,099	14,879,395
10 DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES			
Deposits with:			
Eclear Services Limited		2,591,924	1,951,402
Exposure against marginal trading		250,000	-
		2,841,924	1,951,402
11 TAX REFUNDS DUE FROM GOVERNMENT			
Opening balance		-	22,386
Deducted during the year			
Income		48,513	4,724
Levies		372,726	175,705
		421,239	180,429
Adjustment made during the year			
Income		(48,513)	-
Levies		(372,726)	(202,906)
		(421,239)	(202,906)
Adjustment against prior year taxation		-	91
		-	-
12 CASH AND BANK BALANCES			
These were held as under:			
Cash in hand		31,735	31,735
Cash at bank:			
Pertaining to brokerage house		386,570	40,085
		418,305	71,820
13 SHARE CAPITAL			
Authorized			
2,000,000 (2024: 2,000,000) ordinary shares of Rs.10 each		20,000,000	20,000,000
Issued, subscribed and paid up			
1,830,000 (2024: 1,830,000) ordinary shares of Rs.10 each fully paid in cash	13.2	18,300,000	18,300,000

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

13.1 Pattern of Shareholding:

	2025		2024	
Categories of shareholders				
Individual				
Mrs Neelam Barlas Mirza - CEO	796,405	43.52%	796,405	43.52%
Mr Waqar Asif Baig - Director	649,588	35.50%	649,588	35.50%
Humayun Baig Mirza - Director	255,938	13.99%	255,938	13.99%
Anam Asif Mirza - Director	127,969	6.99%	127,969	6.99%
Muhammad Masood Shehzad - Director	100	0.01%	100	0.01%
	1,830,000	56%	1,830,000	56%

		2025	2024
	Note	Rupees	Rupees
13.2 Reconciliation of number of shares outstanding			
Ordinary shares			
Number of shares outstanding at the beginning of the year		1,830,000	1,500,000
Issued for cash		-	330,000
Issued for consideration other than cash		-	-
Number of shares outstanding at the end of the year		1,830,000	1,830,000

13.3 There is no variation in voting rights of the shareholders.

13.4 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.

14 DEFERRED TAXATION

Deferred credits/(debits) arising due to:

Taxable temporary difference

Accelerated tax depreciation	59,803	19,826
Provision for doubtful debts	-	(196,694)
Provincial workers welfare fund	50,954	-
	110,757	(176,868)

Deductible temporary difference

Short term investment	(3,004,514)	620,657
Minimum taxes paid	(132,667)	(132,667)
Taxable losses	(1,490,062)	(1,683,880)
	(4,627,243)	(1,195,890)
Net deferred tax (asset) / liability	(4,516,486)	(1,372,758)

Deferred tax asset not recognised	14.1	4,516,486	1,372,758
		-	-
Balance as at July 01,		-	-
Add: Charge for the year in profit or loss		-	-
		-	-

14.1 Deferred tax assets have not been recognised, because it is not probable that future taxable profits under normal tax regime will be available against which the Company can use the benefits therefrom.

14.2 Deferred tax asset on minimum taxes will lapse after 3 years of occurrence.

14.3 Deferred tax asset on unused business losses will lapse after 6 years of loss occurred.

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

	Note	2025 Rupees	2024 Rupees
15 TRADE AND OTHER PAYABLES			
Accrued expenses		428,411	468,222
Creditors for sale of shares on behalf of clients		-	127,462
Punjab workers welfare fund payable		175,704	175,704
		<u>604,115</u>	<u>771,388</u>
15.1	During the year, all balances payable to clients have been written off.		
15.2 WORKERS WELFARE FUND PAYABLE			
Opening Balance		175,704	173,825
Expense recognized during the year			1,879
Payment made during the year			-
Closing Balance		<u>175,704</u>	<u>175,704</u>
16 LOAN FROM DIRECTOR			
(unsecured and interest free)			
Loan from director	16.1	3,104,000	994,000
		<u>3,104,000</u>	<u>994,000</u>
16.1	This loans was obtained from Mrs Neelam Barlas Mirza holder of 43.52% shares on interest free basis without the provision of the security for working capital purposes (2024: same). Loans are repayable within next 12 months on demand of directors (2024: same).		
16.2	Maximum aggregate amount outstanding due to loan from directors at the end of any month during the year was Rs. 3,104,000/-.(2024: 994,000)		
17 PROVISION FOR TAXATION			
Opening balance		22,332	-
Provision for the year in respect of income taxes and levies		425,080	225,238
Adjustment made during the year		(421,239)	(202,906)
Prior year adjustment		(22,774)	
		<u>3,399</u>	<u>22,332</u>
18 CONTINGENCIES AND COMMITMENTS			
18.1 Contingencies			
18.1.1	The Securities and Exchange Commission of Pakistan (SECP) has issued an order dated September 09, 2020 and imposed a penalty amounting Rs.260,000 on the basis of observations pertaining to deviation from provisions of AML Regulations. The Company has filed appeal against the said order with Appellate Bench Registry of SECP dated October 22, 2020. The appeal is pending for hearing before Appellate Bench. The Company is hopeful for the waiver of penalty.(2024: same)		

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

18.1.2 The company has received notice from Federal Board of Revenue dated June 20, 2022 in which penalty has been imposed of Rs.710,000 for the tax year 2021 due to non compliance of Common Reporting Standard of the Income Tax Rules, 2002. The company has filed a writ petition before the Lahore High Court, Lahore against the aforesaid notice which is pending for decision. The above stated writ petition was disposed -off on October 28, 2022 and the case was remanded back to Deputy Commissioner Inland Revenue and is still pending there. The tax advisor of the company is of the opinion that the company has a good arguable case and there is likelihood that the same will be decided in the favour of the company. (2024: same)

18.1.3 The Trustees of LSE MCF Trust and LSE TCF Trust have given guarantee amounting Rs. 5 million to Pakistan Stock Exchange (PSX) on behalf of the company for meeting the Base Minimum Capital requirements. (2024: same)

18.2 Commitments

Commitments as at reporting date were Rs. Nil (2024: Rs. Nil).

	Note	2025 Rupees	2024 Rupees
19 BROKERAGE AND COMMISSION			
Retail customers	19.1	4,858,406	4,502,691
Less: Sales tax - provincial		(670,125)	(621,061)
		<u>4,188,281</u>	<u>3,881,630</u>
20 DIRECT COST			
Pakistan Stock Exchange Limited.		561,976	96,838
EcLEAR Services Limited		242,134	243,413
		<u>804,110</u>	<u>340,251</u>
21 OPERATING AND ADMINISTRATIVE EXPENSES			
Directors' remuneration		2,782,683	1,348,300
Staff salaries and benefits		1,254,000	1,963,500
Rent, rates and taxes		38,219	38,219
Communication		196,145	190,346
Utilities		357,446	313,865
Postage and courier		4,463	7,875
Printing and stationery		126,369	92,286
Repair and maintenance		179,300	138,464
Vehicle running and maintenance		307,567	165,956
Computer software maintenance		101,378	443,895
Legal and professional	21.1	277,574	200,499
Fee and subscription		272,425	251,550
Insurance		2,061	1,545
Newspapers and periodicals		8,325	2,880
Entertainment		190,718	81,487
Advertisement		235,700	29,060
Depreciation	4	57,691	41,940
Miscellaneous		77,833	202,928
		<u>6,469,897</u>	<u>5,514,595</u>

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

21.1 This includes statutory audit fee and other certification charges as detailed below:

	Note	2025 Rupees	2024 Rupees
Auditor's remuneration			
Statutory audit		100,000	75,000
Non-Audit Services			
Certification fee for regulatory purposes		-	27,900
		<u>100,000</u>	<u>102,900</u>
22 OTHER OPERATING EXPENSES			
Realised loss on disposal of short term investment		686,628	-
Provision for doubtful debts		8,872	-
Punjab workers welfare fund		-	1,879
		<u>695,500</u>	<u>1,879</u>
23 OTHER INCOME			
Income from financial assets			
Dividend income		2,495,468	1,185,732
Unrealized gain on remeasurement of short term investmen	9.3	15,237,621	337,437
Realised gain on disposal of short term investment		-	432,648
Reversal for provision for doubtful debts	7.1	50,000	42,500
Balances written back	15.1	127,462	-
Interest Income		323,420	-
Income from non financial assets			
Other income		-	81,000
		<u>18,233,971</u>	<u>2,079,316</u>
24 FINANCE COST			
Bank charges		11,774	10,268
		<u>11,774</u>	<u>10,268</u>
25 LEVIES			
Minimum tax		52,354	49,533
Final tax		372,726	175,705
		<u>425,080</u>	<u>225,238</u>
Prior year adjustment		(22,774)	(91)
		<u>402,306</u>	<u>225,147</u>
26 TAXATION			
Income tax:			
-Current		-	-
-Deferred		-	-
		<u>-</u>	<u>-</u>
27 NUMBER OF EMPLOYEES			
		2025	2024
		(N u m b e r)	
Total number of employees at the end of year		<u>5</u>	<u>5</u>
Average number of employees during the year		<u>5</u>	<u>5</u>

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

28 REMUNERATION OF CHIEF EXECUTIVE, DIRECTOR AND EXECUTIVES

The aggregate amount charged in the financial statements for the year for remuneration to the chief executive and director of the company is as follows:

2025			
	Chief Executive	Directors	Total
	-----Rupees-----		
Basic salary	987,000	1,593,000	2,580,000
Medical allowance	102,683	100,000	202,683
	1,089,683	1,693,000	2,782,683
Number of persons	1	3	

2024			
	Chief Executive	Director	Total
	-----Rupees-----		
Basic salary	-	1,337,000	1,337,000
Medical allowance	-	132,800	132,800
	-	1,469,800	1,469,800
Number of persons	1	2	3

29 RELATED PARTY TRANSACTION

All transactions between company and related party are accounted for in the normal course of business. Related parties comprise of directors and their close family members and key management personnel of the Company. Transactions with related parties during the year, except for remuneration of key management personnel, are disclosed as follows:

Name	Relationship with party	Nature of transaction	2025	2024
Mrs Neelam Barlas Mirza	Director - 43.52%	Opening Balance	994,000	-
		Loan received	2,660,000	994,000
		Loan repaid	(550,000)	-
		Closing balance	3,104,000	994,000

29 FINANCIAL INSTRUMENTS BY CATEGORY

Financial assets

Investment at fair value through profit or loss

Short term investement	29,131,099	14,879,395
------------------------	------------	------------

Amortized cost

Long term Security deposits	350,000	-
Loans and advances	82,000	97,000
Deposits, prepayments and other receivables	2,591,924	1,951,402
Cash and bank balances	418,305	71,820
	3,442,229	2,120,222

Financial liabilities

At amortized cost

Trade and other payables	604,115	771,388
Loan from director	3,104,000	994,000
	3,708,115	1,765,388

ABM SECURITIES (PVT) LIMITED
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 is no major reclassification to report except the following:

Reclassification from Statement of Financial Position	Reclassification from Statement of Financial Position	Account head	2025 Rupees	2024 Rupees
Exposure against marginal trading	DEPOSITS, PREPAYMENTS	Exposure against marginal trading	250,000	-
Deposits, accrued liabilities and advances	Trade and other payables	Accrued expenses	428,411	468,222

Reclassification from Statement of Profit and loss	Reclassification from Statement of Profit and Loss	Account head	2025 Rupees	2024 Rupees
Capital gain on marketable securities	OTHER INCOME	Realised gain on disposal of short term Investment	-	432,648

31 GENERAL

Figures have been rounded off to the nearest of rupee.

32 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorized for issue on October 07, 2025 by the Board of Directors of the Company.

Neelam Baslas Mirza
CHIEF EXECUTIVE

Wajid
Director