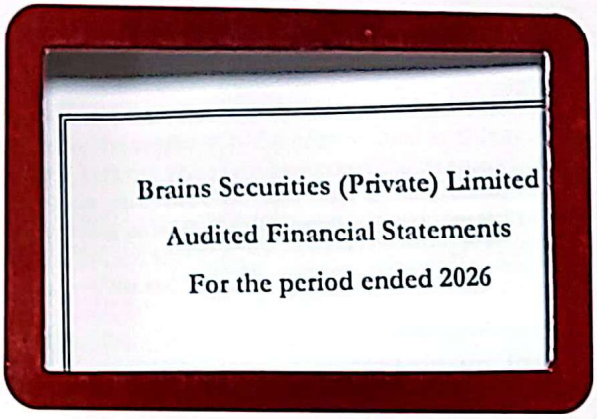


Nasir Javaid Maqsood Imran
Chartered Accountants

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Brains Securities (Private) Limited

Audited Financial Statements

For the period ended 2026



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NASIR JAVAID MAQSOOD IMRAN
Chartered Accountants

Office # 17, 2nd Floor, Hill View Plaza,
Above Fresco Sweets Blue Area
Jinnah Avenue Islamabad.
Phone: +92-51-2228138,
+92-51-2228139
Email: islamabadoffice@njmi.net

INDEPENDENT AUDITOR'S REPORT

To the members of BRAINS SECURITIES (PRIVATE) LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **BRAINS SECURITIES (PRIVATE) LIMITED** (the Company), which comprise the statement of financial position as at June 30, 2026 and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended and notes to the financial statements including a summary of 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, 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 loss, comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

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

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include 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.

Lahore Office:
3rd Floor, Pace Tower, Plot No.27, Block "H" Gulberg 2 Lahore.
Tel: 042-35754821-22, Fax: 042-36317513, Email: nasirgulzar@njmi.net

Karachi Office:
Office No.807, 8th Floor, Q.M. House, Plot No. 11/2, Ellander Road,
Opposite to Shaheen Complex Off. I.I Chundrigar Road.
Tel: 021-32212382, 32212383, 32211516, Fax: 021-32211515, Email: khi@njmi.com

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Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017(XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Board of directors 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

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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, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

c) The Company was in compliance with the relevant requirements of Securities Brokers (Licensing and Operations Regulations), 2016 as at the date on which the statement of financial position was prepared.

d) Investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and

e) No zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Imran Ul Haq.

Place: Islamabad
Date: 26 October, 2026

Nasir Javaid Maqsood Imran
Chartered Accountants

UDIN: AR202610163 9tUse2G1v

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

	Note	2026 Rupees	2025 Rupees
ASSETS			
NON CURRENT ASSETS			
Property and equipment	4	6,646,070	16,552,602
Intangible assets	5	2,627,826	2,642,029
Long term investment	6	-	18,042,524
Long term deposits	7	13,950,000	6,525,000
		23,223,896	43,762,155
CURRENT ASSETS			
Account receivables	8	86,579,008	115,529,951
Loans and advances	9	270,000	119,996
Short term investment	10	1,558,174	-
Trade deposits, short term prepayments and current account balance with statutory authorities	11	33,115,626	16,447,814
Cash and bank balances	12	225,007	1,592,245
		121,747,815	133,690,006
		144,971,711	177,452,161
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital			
Issued, subscribed and paid up capital	13	75,000,000	75,000,000
Revenue reserve			
Unappropriated profit/(accumulated loss)		(121,736,666)	(113,895,209)
Capital reserves			
Fair value adjustment reserve		-	7,844,436
Loan from director	13.2	174,542,460	158,340,000
		127,805,794	127,289,227
CURRENT LIABILITIES			
Deposits, accrued liabilities and advances	15	1,990,546	5,082,365
Trade and other payables	16	15,106,090	45,080,569
Provision for taxation		69,281	-
		17,165,917	50,162,934
CONTINGENCIES AND COMMITMENTS	17		-
		144,971,711	177,452,161

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

CHIEF EXECUTIVE

Brains Securities (Pvt) Ltd. PSX 203

DIRECTOR

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BRAINS SECURITIES (PRIVATE) LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026 Rupees	2025 Rupees
Brokerage and commission	18	30,893,600	18,483,350
Direct cost	19	(12,178,708)	(12,550,077)
		18,714,892	5,933,273
Operating expenses	20	(10,735,781)	(15,147,109)
Other operating expenses	21	-	-
Other income	22	(23,066,556)	(109,195,464)
		(33,802,337)	(124,342,573)
PROFIT FROM OPERATIONS		(15,087,445)	(118,409,300)
Finance cost	23	(870)	(16,951)
PROFIT/(LOSS) BEFORE TAXATION AND LEVY		(15,088,315)	(118,426,251)
Levy		(211,408)	(317,167)
PROFIT/(LOSS) BEFORE TAX		(15,299,723)	(118,743,418)
Taxation	24	(386,170)	1,643,704
PROFIT/(LOSS) FOR THE YEAR		(15,685,893)	(117,099,714)

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

CHIEF EXECUTIVE

Brains Securities (Pvt) Ltd. PSX 203

DIRECTOR

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BRAINS SECURITIES (PRIVATE) LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2026

	2026 Rupees	2025 Rupees
Profit for the year	(15,685,893)	(117,099,714)
Items that will not be reclassified subsequently to statement of profit or loss	-	-
Items that may be reclassified subsequently to statement of profit or loss	-	-
Gain on long term investment	-	7,844,436
Effect of reclassification of long term investment	-	-
Other comprehensive (loss)/income for the year	-	7,844,436
Total comprehensive (loss)/income for the year	(15,685,893)	(109,255,278)

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

CHIEF EXECUTIVE

Brains Securities (Pvt) Ltd. 203 PSX

DIRECTOR

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

	Share Capital	Revenue Reserves	Capital Reserves	Sub Total	Loan from director	Total
	Paid up capital	Accumulated (loss)/Profit	Fair value adjustment reserve			
	——— (R u p e e s) ———					
Balance as at June 30, 2024	75,000,000	3,204,505	-	78,204,505	-	78,204,505
Loans received/adjusted during the year					158,340,000	158,340,000
Shares issued during the year	-	-	-	-	-	-
Profit after taxation	-	(117,099,714)	-	(117,099,714)	-	(117,099,714)
Other comprehensive loss	-	-	7,844,436	7,844,436	-	7,844,436
Total comprehensive loss for the year	-	(117,099,714)	7,844,436	(109,255,278)	158,340,000	49,084,722
Balance as at June 30, 2025	75,000,000	(113,895,209)	7,844,436	(31,050,773)	158,340,000	127,289,227
Loans received/adjusted during the year					16,202,460	16,202,460
Transfer on disposal	-	7,844,436	(7,844,436)	-	-	-
Profit after taxation	-	(15,685,893)	-	(15,685,893)	-	(15,685,893)
Other comprehensive loss	-	-	-	-	-	-
Total comprehensive loss for the year	-	(15,685,893)	-	(15,685,893)	16,202,460	516,567
Balance as at June 30, 2026	75,000,000	(121,736,666)	-	(46,736,666)	174,542,460	127,805,794

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

CHIEF EXECUTIVE

Brains Securities (Pvt) Ltd. 203 PSX

DIRECTOR

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

	Note	2026 Rupees	2025 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation and levy		(15,088,315)	(118,426,251)
Adjustments of items not involving movements of cash:			
Depreciation	4	999,348	2,345,641
Recording / (Reversal) for doubtful debts		28,859,669	113,778,869
Gain on remeasurement of investment		(88,970)	-
Gain on disposal		(2,142,317)	
Amortization	5.2	14,203	15,781
		27,641,934	116,140,291
Operating cash flows before working capital changes		12,553,619	(2,285,960)
(Increase) / Decrease in working capital			
(Increase) / decrease in current assets			
Account receivables		91,274	(210,769,662)
Loan and advances		(150,004)	5,110,500
Trade deposits and short term prepayments		(16,667,812)	(13,271,326)
Increase / (decrease) in current liabilities			
Deposits, accrued liabilities and advances		(3,091,819)	3,037,993
Trade and other payables		(274,479)	(8,414,712)
		(20,092,841)	(224,307,207)
Cash (used in)/generated from operations		(7,539,222)	(226,593,167)
Taxes paid		(528,297)	-
Net Cash used in operations		(8,067,518)	(226,593,167)
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(990,500)	(145,000)
Disposal proceeds		12,040,000	-
Deposits		(7,425,000)	(3,645,000)
Investment in quoted shares - net		16,573,320	-
Net cash used in investing activities		20,197,820	(3,790,000)
CASH FLOWS FROM FINANCING ACTIVITIES			
Loan from CEO	32	16,202,460	158,340,000
Loan received from third parties	32	(29,700,000)	44,700,000
Net cash flows from financing activities		(13,497,540)	203,040,000
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(1,367,238)	(27,343,167)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		1,592,245	28,935,412
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	A	225,007	1,592,245
A Cash and Cash Equivalents			
Cash and bank balances	12	225,007	1,592,245

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

CHIEF EXECUTIVE

Brains Securities (Pvt) Ltd. 203 PSX

DIRECTOR

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

1 COMPANY AND ITS OPERATION

1.1 The company was incorporated as Private Limited Company on July 24, 2015 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. 613, 6th Floor, Stock Exchange Building, 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 (IFRS) 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 relevant notes to the financial statements.

2.3 FUNCTIONAL AND PRESENTATION CURRENCY

The financial statements are presented in Pakistani Rupee, which is the company's functional and

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
- Useful lives, residual values and amortization method of intangible assets
- Provision for doubtful account receivables
- Estimation of provisions
- Estimation of contingent liabilities
- Current income tax expense, provision for current tax and recognition of deferred tax asset

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2.5 STANDARDS, INTERPRETATIONS AND AMENDMENTS TO ACCOUNTING AND REPORTING STANDARDS

a) Amendments to accounting and reporting standards that became effective during the year

There were certain amendments that became applicable for the Company during the year but are not considered to be relevant or did not have any significant effect on the Company's operations and have, therefore, not been disclosed in these financial statements except as mentioned below:

b) Standards and amendments to accounting and reporting standards that are not yet effective and not early adopted by the Company

There are certain new standards and amendments to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 1, 2026. However, these amendments will not have any significant effect on the financial reporting of the Company and, therefore, have not been disclosed in these financial statements except for the IFRS 18 which is applicable for the periods on or after 01 January 2027 and will only result in change of presentation of Statement of Profit or loss.

3 MATERIAL ACCOUNTING POLICY INFORMATION

Material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented.

3.1 Financial assets and liabilities

3.1.1 Financial assets

The Company classifies its financial assets in the following categories:

a) Amortized cost

Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortized cost. Interest income from these financial assets, impairment losses, foreign exchange gains and losses, and gain or loss arising on DE recognition are recognized directly in statement of profit or loss.

b) Fair value through other comprehensive income

Financial assets at fair value through other comprehensive income are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Fair value through profit or loss

Assets that do not meet the criteria for amortized cost or fair value through other comprehensive income or assets that are designated at fair value through profit or loss using fair value option, are measured at fair value through profit or loss. A gain or loss on debt instrument that is subsequently measured at fair value through profit or loss is recognized in profit or loss in the year in which it arises

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

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investment in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the DE recognition of the investment. Dividends from such investments continue to be recognized in profit or loss as other income when the Company's right to receive payments is established.

All purchases and sales of financial assets are recognized on the settlement date which is the date on which the Company actually receives delivery of financial assets and vice versa.

Changes in the fair value of financial assets at fair value through profit or loss are recognized in statement of profit or loss.

Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of

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3.1.2 Financial liabilities

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

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

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange and modification is treated as a DE recognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognized in the statement of profit or loss.

3.1.3 Impairment

a) Financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its financial assets. The Company applies general approach in calculating expected credit losses. It is based on difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive discounted at the approximation of the original effective interest rate. The expected cash flows will include cash flows from sale of collateral held or other credit enhancements that are integral to the contractual terms.

b) Non-Financial assets

The carrying amounts of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated to determine the extent of impairment loss, if any. An impairment loss is recognized as an expense in the statement of profit or loss.

The recoverable amount is the higher of an asset's fair value less cost of disposal and value-in-use. Value-in-use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risks specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (i.e. cash generating units).

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.

3.2 Cash and cash equivalents

Cash and cash equivalents are stated at cost. For the purpose of statement of cash flows, cash and cash equivalents comprise cash in hand, balances with banks in current and savings accounts.

3.3 Property and equipment

Initial Recognition

Items of property and equipment are stated at cost less accumulated depreciation (if any) and impairment losses (if any). Cost includes expenditure that is direct attributable to the acquisition of the items.

Subsequent measurement

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Where such subsequent costs are incurred to replace parts and are capitalized, the carrying amount of replaced parts is derecognized. All other repair and maintenance expenditures are charged to profit or loss during the year in which the are incurred.

Depreciation

Depreciation on all items of property and equipment is calculated using the reducing balance method, in accordance with the rates specified in note 4 to these financial statements and after taking into account residual value, if material. Residual values and useful lives are reviewed and adjusted, if appropriate, at each balance sheet date. Depreciation is charged on an asset from the date when the asset is available for use until the asset is disposed off.

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Disposal

An item of property and equipment is derecognized upon disposal or when no future benefits are expected from its use or disposal. Any gain or loss arising on asset DE recognition (calculated as the difference between net disposal proceeds and the carrying amount of the asset) is included in the profit and loss account in the year in which the asset is derecognized.

Judgments and estimates

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.

Impairment

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Change in estimate

The Company reviews useful lives of property and equipment on a regular basis. Any change in estimates in future years which might affect the carrying amounts of the respective items of property and equipment with a corresponding effect on the depreciation charge and impairment loss. Further, management also on a year basis reviews the carrying amounts of certain classes of property and equipment which are carried at revalued amounts. Any change in estimate in future years which might affect the carrying amount of these classes with a corresponding effect on the surplus on revaluation of property and equipment, related deferred tax liability and related charge of incremental depreciation.

3.4 Intangible Asset - Acquired

TREC Certificates and PMEX Certificate

These are stated at cost less impairment losses (if any). Cost includes expenditure that is directly attributable to the acquisition of the items. Trading Right Entitlement Certificates and Membership Card have indefinite useful life and accordingly are not amortized however, these are tested for impairment only. Impairment loss is recognized in profit and loss account.

Judgments and estimates

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.

3.5 Trade Receivable

Measurement

Trade receivable are recognized initially at fair value and subsequently measured at cost less provision for Expected Credit Loss.

Impairment

A provision for impairment of trade debts 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 debts. The amount of the provision is recognized in the statement of profit or loss. Bad debts are written-off in the statement of profit or loss on identification.

Judgments and estimates

Management reviews its trade debtors on a continuous basis to identify receivables where collection of the amount is no longer probable. These estimates are based on historical experience and are subject to change in condition at the time of actual recovery.

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3.6 Taxation

Income tax expense comprises current and deferred tax.

Current

The charge for current taxation is based on taxable income at current tax rates after considering all tax credits and rebates available, if any.

Levy

The amount of minimum taxes over and above tax chargeable on profits and final tax chargeable under the provisions of Income Tax Ordinance, 2001 are recognized as levy.

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Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable income.

Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable income will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is calculated at the rates that are expected to apply to the year when the differences reverse, based on tax rates that have been enacted or substantially enacted by the statement of financial position

Deferred tax is charged or credited in the statement of profit or loss account, except in the case of items credited or charged to comprehensive income or equity, in which case it is included in comprehensive income or equity.

Judgment and estimates

Significant judgment is required in determining the income tax expenses and corresponding provision for tax. There are many transactions and calculations for which the ultimate tax determination is uncertain as these matters are being contested at various legal forums. The Company recognizes liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred tax assets and liabilities in the period in which such determination is made.

Further, the carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to reflect the current assessment of future taxable profits. If required, carrying amount of deferred tax asset is reduced to the extent that it is no longer probable that sufficient taxable profits to allow the benefit of part or all of that recognized deferred tax asset to be utilized. Any such reduction shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Off-setting

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

3.7 Share capital

Ordinary shares are classified as equity and recognized at their face value. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

3.8 Trade and other payables

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

3.9 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount could be reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

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Judgement and estimates

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 recognized provision is recognized in the statement of profit or loss unless the provision was originally recognized as part of cost of an asset.

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.

3.10 Revenue recognition

Revenue is recognized when services are provided to customers and thereby performance obligation is satisfied at amount which company expects to receive in exchange. Revenue is recognized on the following basis:

Brokerage Commission

Brokerage, consultation and advisory fee and commission on securities and commodities is recognized as and when related services are rendered.

Income on bank deposits

Mark-up / interest on bank deposits and return on investments is recognized on time apportionment basis when right to receive is established using effective interest rate.

Dividend income

Dividend income is recognized in profit or loss as other income when:

- the Company's right to receive payment have been established;
- it is probable that the economic benefits associated with the dividend will flow to the company; and
- the amount of the dividend can be measured reliably.

Others

Gain / loss on sale of investment is recognized in the year in which they arise.

3.11 Borrowings

These are recorded at the proceeds received. Finance costs are accounted for on accrual basis and are disclosed as accrued interest / mark-up to the extent of the amount unpaid at the reporting date.

3.12 Fiduciary assets

Assets held in trust or in a fiduciary capacity by the Company are not treated as assets of the Company.

3.13 Related party transactions

All transactions involving related parties arising in the normal course of business are conducted at arm's length at normal commercial rates on the same terms and conditions as third party transactions using valuation modes, as admissible, except in extremely rare circumstances where, subject to the approval of the Board of Directors, it is in the interest of the Company to do so.

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4 PROPERTY AND EQUIPMENT

Particulars	Cost				Rate	Depreciation				WDV
	As at June 30, 2025	Additions	(Deletions)	As at June 30, 2026		As at June 30, 2025	Charge for the year	(Adjustment)	As at June 30, 2026	As at June 30, 2026
	Rupees					Rupees				
OWNED										
Building	20,339,728	-	(12,515,000)	7,824,728	10%	5,191,160	727,257	(2,617,317)	3,301,101	4,523,627
Furniture and fittings	1,178,347	-	-	1,178,347	10%	677,712	50,064	-	727,775	450,572
Office equipment	1,154,970	234,500	-	1,389,470	10%	565,056	72,369	-	637,425	752,045
Computers	1,052,051	756,000	-	1,808,051	30%	738,567	149,658	-	888,225	919,826
	23,725,096	990,500	(12,515,000)	12,200,596		7,172,494	999,348	(2,617,317)	5,554,526	6,646,070

4.1 PROPERTY AND EQUIPMENT

Particulars	Cost				Rate	Depreciation				WDV
	As at June 30, 2024	Additions	(Deletions)	As at June 30, 2025		As at June 30, 2024	Charge for the year	(Adjustment)	As at June 30, 2025	As at June 30, 2025
	Restated			Restated				Restated		
	Rupees					Rupees				
OWNED										
Building	20,339,728	-	-	20,339,728	10%	3,157,187	2,033,973	-	5,191,160	15,148,568
Furniture and fittings	1,178,347	-	-	1,178,347	10%	559,877	117,835	-	677,712	500,635
Office equipment	1,154,970	-	-	1,154,970	10%	449,559	115,497	-	565,056	589,914
Computers	907,051	145,000	-	1,052,051	30%	660,230	78,337	-	738,567	313,484
18,753,243	23,580,096	145,000	-	23,725,096		4,826,853	2,345,641	-	7,172,494	16,552,602

4.2 Allocation of Depreciation:

	Note	2026 Rupees	2025 Rupees
Operating expenses	22	999,348	2,345,641

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	Note	2026 Rupees	2025 Rupees
5 INTANGIBLE ASSETS			
Trading right entitlement certificate (TREC)	5.1	2,500,000	2,500,000
Computer software	5.2	127,826	142,029
		2,627,826	2,642,029

5.1 It 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 carried at cost less accumulated impairment.

	Note	2026 Rupees	2025 Rupees
5.2 Software			
Cost:			
Balance as at July 01,		382,000	382,000
Additions during the year		-	-
Balance as at June 30,		382,000	382,000
Amortization:			
Balance as at July 01,		239,971	224,190
Charge for the year	22	14,203	15,781
Balance as at June 30,		254,174	239,971
Net book value		127,826	142,029
Rate of amortization		10%	10%

	Note	2026 Rupees	2025 Rupees
6 LONG TERM INVESTMENT			
Quoted	6.1	-	1,721,048

6.1	2026 No. of shares	2025 No. of shares	2026 Value in Rupees	2025 Value in Rupees
LSE Capital Limited	-	318,096	-	1,908,576
LSE Venture Limited	-	1,402,952	-	16,133,948
	-	1,721,048	-	18,042,524

7 LONG TERM DEPOSITS			
Deposits with:			
Pakistan Stock Exchange Ltd - Base Minimum Capital		3,000,000	-
ECLEAR NCCPL DEPOSIT		350,000	350,000
ECLEAR EXPOURE DEPOSIT		10,500,000	6,075,000
Central Depository Company of Pakistan Ltd.		100,000	100,000
		13,950,000	6,525,000
8 ACCOUNT RECEIVABLES			
Amount recievable from employees on account of misappropriatio	8.2	173,158,016	230,877,355
Less: Provision for expected credit loss	8.1	(86,579,008)	(115,438,678)
		86,579,008	115,438,677
National Clearing Company of Pakistan Ltd.		-	91,274
		86,579,008	115,529,951
8.1 Movement is as follows			
Opening balance		115,438,678	1,659,809
Increase/(decrease) during the year	22	28,859,669	113,778,869
Balances written off		(57,719,339)	-
		86,579,008	115,438,678

8.2 During the last year, it was identified that two employees misappropriated company assets by selling client shares and misappropriated company cash without authorization. Consequently, the company has recognized a receivable from the concerned party equal to the loss incurred.

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Based on management's current assessment, the recoverability of the receivable remains uncertain due to the non availability of information relating financial capacity of the employee involved in the misappropriation of assets. Accordingly, in line with the requirements of IFRS 9 – Financial Instruments, the company has recognized an expected credit loss (ECL) provision of 50%(2025: 50%) of the total receivable balance as at the reporting date with 25% written off during the year of total amount.

Management will review the matter in the subsequent period including the results of its efforts for recovery. If recovery remains doubtful, uncertain or unresolved, the provision will be increased to 100% in the following financial year, in line with IAS 37 requirements for prudent recognition of probable losses.

	Note	2026 Rupees	2025 Rupees
9 ADVANCES			
(Unsecured but considered good by the management)			
Advances to:			
Employees		270,000	119,996
		270,000	119,996

10 SHORT TERM INVESTMENT		
At Fair Value through Profit or Loss - Equity shares of listed companies		
Cost	1,469,204	-
Unrealized fair value gain	88,970	-
Market value	1,558,174	-

This represents investment in:

Name	2026 No. of shares	2025 No. of shares
786 Investments Limited	110	-
Aisha Steel Mills Limited	100	-
Bank Makramah Limited	3,000	-
Bunnys Limited	200	-
The Bank of Punjab	23,000	-
Cnergyico PK Limited	10	-
Citi Pharma Limited	50	-
Dolmen City REIT	20	-
Fauji Cement Company Limited	100	-
Fauji Fertilizer Company Limited	50	-
Fauji Foods Limited	500	-
Hascol Petroleum Limited	1,200	-
Habib Bank Limited	40	-
Hira Faisal Limited	500	-
Hi-Tech Lubricants Limited	10	-
JS Corporation Limited	10	-
K-Electric Limited	100	-
KSB Pumps Company Limited	225	-
Lotte Chemical Pakistan Limited	1,000	-
LSE Capital Limited	1,000	-
LSE Ventures Limited	1,000	-
Mari Energies Limited	10	-
National Bank of Pakistan	200	-
Oil & Gas Development Company Limited	100	-
Pace (Pakistan) Limited	100	-
Pak Elektron Limited	100	-
Pak Qatar Family Takaful Limited	1,000	-
PIA Holding Company Limited	1,013	-
Power Cement Limited	140	-
Pakistan Refinery Limited	10	-
Pakistan State Oil	50	-
Pakistan Stock Exchange	100	-
Pakistan Telecommunication Company	19	-
Quice Food Limited	100	-
Roshan Packages Limited	74	-
The Searl Company Limited	10	-
Sui Northern Gas Pipelines Limited	1,000	-
Sui Southern Gas Company Limited	1,000	-
Soddiqsons Tin Plate Limited	500	-
Thatta Cement Company Limited	100	-
The Organic Meat Compnay Limited	100	-
TPL Properties Limited	500	-
Treet Corporation Limited	200	-
United Bank Limited	10	-
Unity Foods Limited	100	-
Wafi Energy Pakistan Limited	200	-
Waves Singer Pakistan Limited	100	-
Yousaf Weaving Mills Limited	100	-
Zarea Limited	10	-

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11 TRADE DEPOSITS, SHORT TERM PREPAYMENTS AND CURRENT ACCOUNT BALANCE WITH STATUTORY AUTHORITIES

	Note	2026 Rupees	2025 Rupees
Deposits with:			
National Clearing Company of Pakistan Ltd.	11.1	-	178,000
Eclear Services Limited		29,531,126	16,269,814
Commission receivable from Eclear Services Limited		2,887,177	-
Interest receivable from Eclear		659,809	-
Interest receivable from PSX		37,514	-
		33,115,626	16,447,814

11.1 This represents deposit with National Clearing Company of Pakistan Limited against exposure margin in respect of trade in future and ready market. These deposits carry profit at rates ranging from 8% to 10% (2025: 10% to 18%) per annum.

12 CASH AND BANK BALANCES

	Note	2026 Rupees	2025 Rupees
Cash in hand		356	356
Cash at bank			
Current accounts:			
Pertaining to brokerage house		115,251	1,468,932
Pertaining to clients		109,399	122,957
		224,651	1,591,889
		225,007	1,592,245

13 SHARE CAPITAL

	2026 Rupees	2025 Rupees
Authorized		
750,000 (2025: 750,000) ordinary shares of Rs.100 each	75,000,000	75,000,000
Issued, subscribed and paid up		
750,000 (2025: 750,000) ordinary shares of Rs.100 each fully paid in cash	75,000,000	75,000,000

13.1 Movement in issued, subscribed and paid up capital

Opening balance as at July 01, 750,000 ordinary shares of Rs. 100 each	75,000,000	75,000,000
Issued during the year	-	-
Closing balance as at June 30,	75,000,000	75,000,000

13.2 These represent interest free and un-secured loans obtained from the Chief Executive and Shareholder of the company. These loans are subordinated to all other debts of the company. These loans are repayable at the discretion of the company.

14 DEFERRED TAXATION

	2026 Rupees	2025 Rupees
Deferred credits/(debits) arising due to:		
Accelerated tax depreciation	(227,527)	113,032
Tax losses	(14,004,437)	(315,347)
Provision for doubtful debts	(25,107,912)	(33,477,216)
Tax credits	(1,058,613)	(2,854,018)
Deferred tax asset not recognized	40,398,489	34,889,845
	-	(1,643,704)
Balance as at July 01,	-	-
Add: Charge for the year in profit or loss	-	(1,643,704)
	-	(1,643,704)

14.1 At the year end, net deductible temporary differences and tax credits resulted in a net deferred tax asset. However, deferred tax asset 40,398,489 (2025: 34,889,845) has not been recognized in these financial statements being prudent. Management is of the view that recognition of deferred tax asset shall be reassessed as at June 30, 2027. Expiry of tax credits and losses is as follows:

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Tax credits	Year	Tax losses	Year
621,215	2033	507,368	2030
437,398	2032	46,097,535	2032
228,002	2027		
645,746	2028		

		Note	2026 Rupees	2025 Rupees
15	**DEPOSITS, ACCRUED LIABILITIES AND ADVANCES**			
	Accrued expenses		1,516,719	4,399,839
	Punjab worker's welfare fund		473,827	473,827
	Levy payable		-	208,699
			1,990,546	5,082,365
16	**TRADE AND OTHER PAYABLES**			
	Loan payable		15,000,000	44,700,000
	Tax deducted at source payable		106,090	380,569
			15,106,090	45,080,569

17 CONTINGENCIES AND COMMITMENTS

17.1 Contingencies

Contingencies as at reporting date were Rs. Nil (2025: Rs. Nil).

17.2 Commitments

Commitments as at reporting date were Rs. Nil (2025: Rs. Nil).

		Note	2026 Rupees	2025 Rupees
18	**BROKERAGE AND COMMISSION**			
	Brokerage and commission		36,778,095	21,440,686
	Less: Sales tax		(5,884,495)	(2,957,336)
			30,893,600	18,483,350

		Note	2026 Rupees	2025 Rupees
19	**DIRECT COST**			
	Charges paid to:			
	National Clearing Company of Pakistan Ltd.		-	1,291,222
	EClear charges		2,985,142	64,729
	Central Depository Company of Pakistan Ltd.		10,745	396,152
	Pakistan Stock Exchange Ltd.		467,427	1,798,543
	Commission/incentive paid		8,715,394	8,999,431
			12,178,708	12,550,077

		Note	2026 Rupees	2025 Rupees
20	**OPERATING EXPENSES**			
	Directors' remuneration		1,000,000	-
	Staff salaries and benefits		3,545,700	3,079,527
	Communication expenses		346,280	252,643
	Postage and courier		2,585	19,008
	Travelling and conveyance		49,876	51,129
	Printing and stationery		346,160	62,420
	Repair and maintenance		1,114,272	2,072,780
	Legal and professional charges	20.1	475,095	275,000
	Auditors' remuneration		170,000	200,000
	Fee and subscription		192,099	156,945
	Entertainment		582,756	457,984
	Penalty expenses		1,790,648	-
	Depreciation	4	999,348	2,345,641
	Amortization	5.2	14,203	15,781
	Bad Debt		-	6,127,118
	Miscellaneous		106,759	31,133
			10,735,781	15,147,109

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20.1 Auditors' remuneration

The audit fee and remuneration for other services included in the financial statements is as follows:

	Note	2026 Rupees	2025 Rupees
Statutory audit		150,000	200,000
Certification fee for regulatory purposes		20,000	-
		170,000	200,000

21 OTHER OPERATING EXPENSES

Punjab workers' welfare fund	-	-
	-	-

22 OTHER INCOME

Income from financial assets		
Dividend income	43,398	1,562,082
Interest income	2,394,442	468,611
Realized (loss)/gain on disposal of investments	1,123,987	-
Unrealized (loss)/gain on remeasurement of short term investment	88,970	-
Decrease/(increase) in expected credit loss provision	(28,859,669)	(113,778,869)
	(25,208,873)	(111,748,176)
Income from assets other than financial assets		
Other income	2,142,317	2,282,711
Rental income	-	270,001
	2,142,317	2,552,712
	(23,066,556)	(109,195,464)

23 FINANCE COST

Bank charges	870	16,951

24 TAXATION

Income tax:		
For the year		
-Current	386,170	-
-Deferred	-	(1,643,704)
	386,170	(1,643,704)

24.1 No numeric tax reconciliation has been presented in respect of current and previous year as the company was liable to pay tax under final, minimum or alternative tax regime of the Income Tax Ordinance, 2001.

25 REMUNERATION TO CHIEF EXECUTIVE, DIRECTOR AND EXECUTIVES

The aggregate amount charged in the financial statements for the year for remuneration, including certain benefits to the chief executive, directors and executives of the company is as follows:

	2026	
	Chief Executive	Director
Managerial remuneration	1,000,000	-
Commission paid	-	-
	1,000,000	-
Number of persons	1	1

	2025	
	Chief Executive	Director
Managerial remuneration	-	-
Commission paid	-	-
	-	-
Number of persons	1	1

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	2026 Rupees	2025 Rupees
26 FINANCIAL INSTRUMENTS BY CATEGORY		
Financial assets and financial liabilities		
Financial assets		
At fair value through other comprehensive income		
Long term investment	-	18,042,524
At fair value through profit or loss		
Short term investment	1,558,174	-
At Amortized cost		
Long term deposits	13,950,000	6,525,000
Trade debts	86,579,008	115,529,951
Loans and advances	270,000	119,996
Trade deposits	33,115,626	16,447,814
Cash and bank balances	225,007	1,592,245
	134,139,641	140,215,006
Financial liabilities		
At amortized cost		
Accrued and other liabilities	1,516,719	4,399,839
Loan payable	15,000,000	44,700,000
	16,516,719	49,099,839

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		2026	2025
27	**Information required by regulation 34 of Securities Broker Regulations 2016**		
a)	Customer shares in the central depository system	-	-
	Customer's cash in bank account - PKR	-	122,957
b)	Securities pledged with financial institutions	-	840,940
c)	**Pattern of shares:**		
	Chaudhry Zahid Hussain	746,250	382,500
	Bashir Ahmad Bajwa	3,750	3,750
	Syed Abbas Raza	-	363,750
	Total no of shares	750,000	750,000
d)	**Changes in shareholding:**		
	Shares transferred during the year to Chaudhary Zahid Hussain	363,750	-
	Shares issued during the year to Bashir Ahmed Bajwa		-
	Shares transferred during the year by Syed Abbas Raza	(363,750)	-
e)	Trade and other receivables are stated at estimated realizable value after each debt has been considered		
f)	**Aging analysis of amount due from customers**		
	Due not more than 5 days - PKR		
	Due more than 5 days - PKR		

28 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties include directors, major shareholders, key management personnel, senior executives and entities over which the directors are able to exercise influence. Transaction with related parties are on arm's length basis (except for where stated else wise). Details of transactions with related parties during the year have been disclosed in relevant notes in these financial statements.

29 FINANCIAL RISK MANAGEMENT

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

The Board has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor adherence to limits. Risk management policies and systems are reviewed regularly to react to change in market conditions and the Company's activities.

Risks measured and managed by the Company are explained below:

29.2 Market risk

Market risk is the risk that the value of financial instruments may fluctuate as a result of changes in market interest rates or the market prices of instruments due to change in credit rating of the issuers or the instruments, changes in market sentiments, speculative activities, supply and demand of instruments and liquidity in the market. The Company manages the market risk by monitoring exposure on financial instruments and by following internal risk management policies.

Market risk comprises of three types of risks: interest rate risk, currency risk and other price risk.

29.2.1 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate due to changes in market interest rates.

- Fair value risk - Presently, fair value risk to the Company arises from exposure margins with NCCPL. As at June 30, 2026, the impact of increase / decrease in fixed interest rates by 100 basis points would not have a material impact on the profit after tax of the Company

29.2.2 Currency risk

Currency risk arises mainly where receivables and payables exist due to transactions entered into in foreign currencies. The company does not have any foreign currency exposures.

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29.2.3 Price risk

Price risk is the risk that the fair value of or future cash flows from a financial instrument will fluctuate due to changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. As at June 30, 2026, the Company is exposed to Investment in listed equity securities.

If the price of quoted shares change by 10% at year end with other variables held constant, then the profit for the year would have increased/decreased by Rs. 155,817 (2025: Rs. 1,019,809).

29.3 Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	2026	2025
	Rupees	Rupees
Equity Investments - quoted	1,558,174	18,042,524
Long term deposits	13,950,000	6,525,000
Trade and other receivable - net	86,579,008	115,529,951
Short Term Advances and Deposits	33,385,626	16,447,814
Bank balances	224,651	1,591,889
	135,697,459	158,137,178

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (If available) or to historical information about counterparty default rate:

	Rating			2026	2025
	Short Term	Long Term	Agency	Rupees	
Bank Al-Habib	A1+	AAA	PACRA	162,976	1,532,714
Habib Bank Limited	A1+	AAA	PACRA	61,674	59,175
				224,651	1,591,889

Due to the Company's long standing business relationships with these counterparties and after giving due consideration to their strong financial standing, management does not expect non-performance by these counter parties on their obligations to the Company. Accordingly the credit risk is minimal. Provision agisnt receivable from employee on account of missappropriation has been provided in note 8.

29.4 Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulties in meeting obligations associated with financial liabilities. The Company's approach to manage liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its financial liabilities when due. Accordingly, the Company maintains sufficient cash and also ensures availability of funding through credit facilities.

The analysis below summarizes the Company's financial liabilities (based on contractual undiscounted cash flows) into relevant maturity group on the remaining period as at the reporting date:

	Contractual Cash flows	Less than One Year	Between one to Five Years
2026			
Financial Liabilities			
Trade and other payables	16,516,719	16,516,719	-
2025			
Financial Liabilities			
Trade and other payables	49,099,839	49,099,839	

30 Fair Value of Financial Instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences may arise between the carrying value and the fair value estimates. The Company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements

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Fair value hierarchy

The table below analyses financial instruments carried at fair value by valuation method. The different levels have been defined as follows: - quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1); - inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2); and - inputs for the asset or liability that are not based on observable market data (level 3). The level in the fair value hierarchy within which the fair value measurement of a financial instrument is categorized in its entirety shall be determined on the basis of the lowest level input that is significant to the fair value measurement of that financial instrument.

	As at June 30, 2026			As at June 30, 2025	
	Level 1	Level 2	Level 3	Level 1	Level 2
Financial Assets at Fair Value Through Profit and Loss	-	-	-	-	-
Quoted Shares	1,558,174	-	-	-	-
Financial Assets at Fair Value Through Other Comprehensive Income	-	-	-	18,042,524	-

31 Capital Risk Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders or issue new shares. The proportion of borrowings to equity at the year end was:

	2026	2025
Total Borrowings	-	-
Total Equity	127,805,794	127,289,227
	127,805,794	127,289,227
Gearing Ratio	0%	0%

32 CASH FLOWS FROM FINANCING ACTIVITIES

	2026 Rupees	2025 Rupees
	Loan from CEO	
Opening balance	158,340,000	-
Cash received	16,202,460	158,340,000
Shares issued for cash	-	-
	16,202,460	158,340,000
	174,542,460	158,340,000
	Loan from third parties	
Opening balance	44,700,000	
Cash received	-	44,700,000
Cash paid	(29,700,000)	
Closing balance	15,000,000	44,700,000

33 EVENTS AFTER REPORTING DATE

There were no subsequent events that may require adjustment or disclosure in the financial statements as at reporting date.

34 GENERAL

The figures have been rounded off to the nearest Rupee

	2026	2025
35 NUMBER OF EMPLOYEE		
Number of persons employed	7	5
Average number of employees during the year	6	5

36 DATE OF AUTHORIZATION

These financial statements have been authorized by the Board of Directors of the Company on October 2026.

CHIEF EXECUTIVE

Brains Securities (Pvt) Ltd. 203 PSX

DIRECTOR

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Statement of Compliance with Code of Corporate Governance

For the year ended 30 June 2026

The Brains Securities is a private limited company incorporated in Pakistan and licensed by the Securities and Exchange Commission of Pakistan (SECP) to undertake securities brokerage activities under the Trading Only category.

The Company is required to comply with the applicable provisions of the Securities Act, 2015, the Securities Brokers (Licensing and Operations) Regulations, 2016, including Annexure D (Corporate Governance Code for Securities Brokers), and amendments applicable during the year ended 30 June 2026.

The following statement sets out the Company's compliance with the applicable provisions of the Corporate Governance Code for the financial year ended 30 June 2026.

1. Board of Directors

The Board of Directors is responsible for providing strategic direction, overseeing management and monitoring the Company's performance. The size and composition of the Board are considered in the context of the Company's business activities, operational requirements and regulatory obligations.

2. Responsibilities, Powers and Functions of the Board

The Board oversees the formulation and implementation of policies relating to corporate governance, risk management, regulatory compliance, customer relations and the segregation of customer assets from the Company's assets, as applicable.

The Board is responsible for adopting a code of conduct/code of ethics to promote integrity and professional behavior and to address market manipulation, front-running, insider trading and other forms of market abuse.

An appropriate whistle-blowing mechanism is maintained to enable stakeholders, including employees, to report suspected illegal or unethical practices without prejudice to their interests.

The Board appoints the Chief Executive Officer to lead the Company's management and oversee its day-to-day operations in accordance with applicable laws and the Company's policies.

3. Risk Management and Internal Controls

The Company maintains appropriate internal controls and risk management procedures commensurate with the nature and scale of its Trading Only brokerage operations. These include controls over order execution, customer transactions, regulatory compliance, record keeping, reconciliations and reporting, as applicable.

4. Senior Management

The Company maintains an appropriate management structure and ensures that relevant officers responsible for its brokerage operations and regulatory compliance possess the qualifications, experience and competence required under applicable regulatory requirements.

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5. Directors' Awareness and Training

The Company encourages its directors to remain informed about their legal and regulatory responsibilities, the Corporate Governance Code and developments affecting securities brokerage operations. Mandatory training or certification requirements are complied with where applicable.

6. Appointment of Auditors

The Company appoints its statutory auditor in accordance with applicable laws and regulatory requirements. The auditor's eligibility and independence are considered in accordance with the applicable provisions of the Securities Brokers (Licensing and Operations) Regulations, 2016.

7. Customer Protection and Regulatory Compliance

The Company maintains appropriate procedures for handling customer orders, addressing customer complaints, maintaining records and complying with applicable securities laws and anti-money laundering and counter-financing of terrorism requirements.

Customer assets and funds, where applicable, are dealt with in accordance with the relevant regulatory requirements and the scope of the Company's Trading Only licence.

8. Financial Reporting and Regulatory Disclosures

The Company maintains proper accounting records and prepares its financial statements in accordance with the applicable financial reporting framework and statutory requirements. Required financial statements, reports and regulatory returns are submitted to the relevant authorities within the prescribed timelines.

The Company complies with applicable requirements concerning the preparation, approval and disclosure of its financial statements and the Directors' Report, subject to any specific exemption available under the applicable regulations.

9. Overall Compliance

Based on the Company's records and subject to the verification of the matters stated above, the Board of Directors confirms that the Company has complied with the applicable provisions of Annexure D, being the Corporate Governance Code for Securities Brokers under the Securities Brokers (Licensing and Operations) Regulations, 2016, as amended and applicable during the financial year ended 30 June 2026, except for any deviations, if any, disclosed below.

Exceptions or deviations, if any:

There were no instances of non-compliance with the applicable provisions of the Corporate Governance Code for Securities Brokers under the Securities Brokers (Licensing and Operations) Regulations, 2016, as amended, during the financial year ended 30 June 2026.

For and on behalf of the Board of Directors

Brains Securities (Pvt) Ltd. 203 PSX

Chief Executive Officer
Name: Chaudhry Zahid Hussain
Date: 21.10.2026

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Statement by CEO
(Clause (9)(a)(iii) of Annexure-D)

I, **Chaudhry Zahid Hussian,** having CNIC No.**35201-9061560-5** Chief Executive Officer of M/s **Brains Securities (Pvt.) Limited**, hereby certify that there are no transactions entered into our Brokerage House during the year which are fraudulent, illegal or in violation of any securities market laws.

This statement is issued in compliance with the requirements of Clause (9) (a) (iii) of Annexure- D.

Signature:

Name: Chaudhry Zahid Hussain
Designation: Chief Executive Officer
Company: Brains Securities (Pvt.) Ltd.
Date: 21/10/2026

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BRAINS SECURITIES (PVT) LTD.

TREC Holder Pakistan Stock Exchange. TREC Code - 203

DIRECTORS' REPORT TO THE SHAREHOLDERS 2026

On behalf of the Board of Directors of **Brains Securities (Pvt) Limited**, I take pleasure in presenting to you an overview of the Company's performance for the year ended **June 30, 2026**.

Brains Securities (Pvt) Limited ("the Company" or "Brains") closed the year with a **Loss after Tax of Rs. 15.69 million**, compared to a **Loss after Tax of Rs. 117.10 million** in the preceding year. The Company's loss per share improved significantly from **(EPS: RS. -156.00)** in FY2025 to approximately **(EPS: RS. -20.91)** in FY2026.

The Company's EPS improved significantly during the year, reflecting the considerable reduction in net losses and the positive impact of enhanced operational efficiency.

Brains Securities' primary focus remained on institutional business, with corporate clients continuing to contribute a sizeable majority of our brokerage revenue. During the year, the Company achieved a notable improvement in performance through higher brokerage income and effective control over operating expenses.

Dividend

The Board of Directors has not recommended any cash dividend, bonus shares, or right shares for the year ended June 30, 2026.

Transfer to Accumulated Losses

The loss after tax amounting to Rs. 15,685,893 for the year ended June 30, 2026 has been transferred to accumulated losses and carried forward to the next financial year.

Future Outlook

The Pakistan Stock Exchange has witnessed significant re-rating over the past few years. Going forward, market performance is expected to remain dependent on key macroeconomic indicators, monetary policy developments, corporate earnings growth, and regional geopolitical dynamics.

While market conditions may remain challenging, the Company remains committed to strengthening client relationships, improving operational efficiency, and pursuing sustainable growth opportunities. Management will continue to focus on enhancing profitability and delivering long-term value to stakeholders through prudent business practices and disciplined risk management.

Overall, we remain optimistic about the future and will continue to make sincere efforts to further improve the Company's performance in the year ahead. With the blessings of Almighty Allah, we look forward to achieving better results, Insha Allah.

Lahore
Date: 21.10.2026

Brains Securities (Pvt) Ltd. 203 PSX

Chief Executive/Director