

# **MGM SECURITIES PRIVATE LIMITED**

**Half Year Un-Audited Financial Statements  
For the Period Ended on 31 December, 2025**

MGM SECURITIES (PVT) LIMITED  
STATEMENT OF FINANCIAL POSITION  
AS AT DECEMBER 31, 2025

2025  
Note Rupees

**ASSETS**

**NON CURRENT ASSETS**

Property and equipment	4	11,396,970
Intangible assets	5	2,500,000
Long term investments	6	11,164,079
Long term deposits	7	81,000
		<hr/>
		25,142,049

**CURRENT ASSETS**

Loans and advances	8	1,370,000
Trade deposits, short term prepayments and current account balance with statutory authorities	9	68,482,215
Tax deducted at source/advance income tax	10	3,719,712
Cash and bank balances	11	20,018,747
		<hr/>
		93,590,674
		<hr/>
		118,732,723

**EQUITY AND LIABILITIES**

**SHARE CAPITAL AND RESERVES**

Share capital	12	50,000,000
Un-appropriated profit		<hr/>
		64,671,563
		<hr/>
		114,671,563

**NON CURRENT LIABILITIES**

Deferred taxation	13	1,303,761
		<hr/>
		1,303,761

**CURRENT LIABILITIES**

Deposits, accrued liabilities and advances	14	114,160
Trade and other payables	15	2,643,239
Provision for taxation	16	-
		<hr/>
		2,757,399

**CONTINGENCIES AND COMMITMENTS**

17	-
	<hr/>
	118,732,723

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

CHIEF EXECUTIVE



DIRECTOR

**MGM SECURITIES (PVT) LIMITED  
STATEMENT OF PROFIT OR LOSS  
FOR THE YEAR ENDED DEC. 31, 2025**

		2025
	Note	Rupees
Operating revenue	18	22,233,678
Direct costs	19	<u>(3,618,854)</u>
		18,614,824
Operating expenses	20	(8,192,116)
Other operating expenses	21	-
Other income	22	5,553,637
		<u>(2,638,479)</u>
<b>PROFIT FROM OPERATIONS</b>		<b>15,976,345</b>
Finance cost	23	<u>(2,995)</u>
<b>PROFIT BEFORE LEVIES AND INCOME TAX</b>		<b>15,973,350</b>
Levies	24	-
<b>PROFIT BEFORE INCOME TAX</b>		<b>15,973,350</b>
Income tax	25	-
<b>PROFIT FOR THE YEAR</b>		<b><u>15,973,350</u></b>
<b>EARNINGS PER SHARE - BASIC AND DILUTED</b>	<b>26</b>	<b><u>31.95</u></b>

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

*Mohi*  
CHIEF EXECUTIVE



*S. J. J.*  
DIRECTOR

4 PROPERTY AND EQUIPMENT

Particulars	Cost				Depreciation				W.D.V As at Dec 31, 2025	
	As at June 30, 2025	Additions	Adjustment	As at Dec 31, 2025	Rate %	As at June 30, 2025	Charge for the year	Adjustment		
————— R u p e e s ————					————— R u p e e s ————					
<b>OWNED</b>										
Furniture and fittings	1,028,586	-	-	1,028,586	10%	926,126	5,123	-	931,249	97,337
Office equipment	650,150	-	-	650,150	10%	342,115	15,402	-	357,517	292,633
Computers	837,600		-	837,600	30%	705,154	19,867	-	725,021	112,579
Building	11,500,000	-	-	11,500,000	5%	7,548,678	98,783	-	7,647,461	3,852,539
Vehicles	10,408,632		-	10,408,632	10%	2,996,124	370,626	-	3,366,750	7,041,882
	24,424,968	-	-	24,424,968		12,518,197	509,801	-	13,027,998	11,396,970



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		2025
	Note	Rupees
<b>5 INTANGIBLE ASSETS</b>		
Trading right entitlement certificate (TREC)	5.1	<u>2,500,000</u>
		<u>2,500,000</u>

5.1 This represents Trading Right Entitlement Certificate (TREC) received from the Pakistan Stock Exchange Limited, surrendered on, 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.

		2025
	Note	Rupees
<b>6 LONG TERM INVESTMENTS</b>		
<b>Quoted Investments</b>		
<b>At fair value through profit or loss</b>		
Cost	6.1	678,450
Fair value adjustment	6.2	<u>10,485,629</u>
		<u>11,164,079</u>

6.1 The breakup of respective holding is as

	Total No. of shares	Total Rupees	Pledge Rupees
LSE Capital Limited	245,294	1,471,764	-
LSE Venture Limited	842,810	9,692,315	-
	<u>1,088,104</u>	<u>11,164,079</u>	<u>-</u>

		2025
	Note	Rupees
<b>6.2 Movement in fair value adjustment reserve</b>		
Opening balance		4,933,025
Movement during the year		<u>5,552,604</u>
Closing balance		<u>10,485,629</u>

**7 LONG TERM DEPOSITS**

Deposits with/against:

Rental property	81,000
	<u>81,000</u>
	2025

**8 LOANS AND ADVANCES**

Advances to: (Interest free and un-secured but considered good)

Employees	246,000
Director - Syed Hassan Iqbal	<u>1,124,000</u>
	<u>1,370,000</u>

8.1 Advances to Director - Mr.Syed Hassan Iqbal

Balance as at July 01,	1,124,000
Disbursed during the year	-
Recovered during the year	<u>(1,124,000)</u>
	<u><u>-</u></u>

8.2 Particulars of advance to director:

Name	Basis of relationship	Maximum aggregate amount Rupees
Syed Hassan Iqbal	Director	1,124,000

8.3 This represented short term advance obtained by the director of the company. It was recoverable on demand of and it has been settled during the year.

	Note	2025 Rupees
9 TRADE DEPOSITS, SHORT TERM PREPAYMENTS AND CURRENT ACCOUNT BALANCE WITH STATUTORY AUTHORITIES		
Deposits with:		
E Clear Services Limited	9.1	<u>68,482,215</u>

9.1 This carries profit ranging from 10% to 15%.

10 TAX DEDUCTED AT SOURCE/ADVANCE INCOME TAX

Opening balance	1,886,481
Prior year adjustment	-
Income tax/levies deducted during the year	1,833,155
Adjustment made during the year against:	
Income taxes	
Levies	

16

3,719,636

11 CASH AND BANK BALANCES

These were held as under:

Cash in hand	13,449
Cash at bank:	
in current accounts	
Pertaining to brokerage house	18,984,769
Pertaining to clients	334,189
	19,318,958
in saving accounts	
Pertaining to brokerage house	686,340
	<u>20,018,747</u>

**12 SHARE CAPITAL**

**Authorized**

600,000 (2024: 600,000) ordinary shares  
of Rs.100 each

**12.1** 60,000,000

**Issued, subscribed and paid up**

500,000 (2024: 500,000) ordinary shares  
of Rs.100 each issued paid in cash

50,000,000

**12.1 Pattern of Shareholding:**

	% age of Shares Held		Number of Shares Held	
	2025	2024	2025	2024
<b>Individuals</b>				
<b>Chief Executive</b>				
Mian Ghulam Mohiuddin	59%	59%	297,297	297,297
<b>Directors</b>				
Zia Mohiuddin	1%	1%	5,406	5,406
Hassan Iqbal	38%	38%	191,891	191,891
<b>Shareholder</b>				
Mrs. Nagina Akhter	1%	1%	5,406	5,406
	<u>100%</u>	<u>100%</u>	<u>500,000</u>	<u>500,000</u>

**12.2** There is no variation in voting rights of the shareholders.

		2025	
		Note	Rupees
<b>13 DEFERRED TAXATION</b>			
Deferred credits/(debits) arising due to:			
Accelerated tax depreciation			
Unrealized gain on long term investment			
Punjab worker's welfare fund payable			
Brought forward losses			
			<u>—</u>
Balance as at July 01,			1,303,761
Add: Charged during the year			
			<u>1,303,761</u>

**13.3 Depreciation losses with no limit to expire are follows:**

Accounting year to which depreciation loss relates		2025	
		Note	Rupees
2023			

**14 DEPOSITS, ACCRUED LIABILITIES  
AND ADVANCES**

Accrued expenses 114,083

**15 TRADE AND OTHER PAYABLES**

Creditors for sale of shares on behalf of clients	1,103,282
Sales tax payable	479,424
Punjab worker's welfare fund payable	974,668
Tax deducted at source payable	85,865
	<u>2,643,239</u>

		Note	2025 Rupees
<b>16</b>	<b>PROVISION FOR TAXATION</b>		
	Opening balance		
	Provision for the year in respect of income taxes and levies	25.1	-
	Adjustment made during the year	10	-
	Tax paid during the year		<hr/>
<b>17</b>	<b>CONTINGENCIES AND COMMITMENTS</b>		
<b>17.1</b>	<b>Contingencies</b>		
17.1.1	The company received notice from Federal Board of Revenue dated June 27, 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 dated October 26, 2022 before the Lahore High Court, against the aforesaid notice which is pending for decision. 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 favour of the company.		
17.1.2	The company received a notice from Federal Board of Revenue dated March 25, 2025 in which a penalty amounting Rs. 534,000 has been imposed for the tax year 2024 due to non-compliance of Common Reporting Standard of the Income Tax Rules, 2002. The company has submitted detailed reply vide letter dated April 17, 2025. The matter is currently pending before the Deputy Commissioner Inland Revenue, Lahore. 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 favour of the company.		
17.1.3	The Trustees of LSE MCF Trust and LSE TCF Trust have given guarantee amounting Rs. 5.00 million to Pakistan Stock Exchange (PSX) on behalf of the company for meeting the Base Minimum Capital requirements.		
<b>17.2</b>	<b>Commitments</b>		
17.2.1	Commitments in respect of capital expenditures as at June 30, 2025 were amounting Rs. nil (2024: Rs. nil).		
17.2.2	Future lease payments in respect of rental office building are as follow:		
		2025 Rupees	
	Not later than one year		
	Later than one year and not later than five years		
	The aforesaid lease arrangement includes the following significant terms:		
	- Rent is subject to an increase of 10% at each renewal period.		
	- The lease term may be mutually extended if both parties agree at the expiry of the lease.		
<b>18</b>	<b>OPERATING REVENUE</b>		
	Brokerage income		22,233,678
	Less: Sales tax		<hr/>
			22,233,678
<b>19</b>	<b>DIRECT COSTS</b>		
	Charges paid to/against:		
	Pakistan Stock Exchange Limited		591,221
	Central Depository Company of Pakistan Ltd.		-
	Commission paid		1,613,537
	National Clearing Company of Pakistan Ltd.		93,117
	Eclear Service charges		<hr/>
			1,320,978
			<hr/>
			3,618,854

		2025
	Note	Rupees
<b>20 OPERATING EXPENSES</b>		
Directors' remuneration		2,676,000
Staff salaries and benefits		3,424,086
Rent, rates and taxes	20.1	191,004
Communication and postage		78,274
Electricity charges		153,679
Printing and stationery		15,540
Repair and maintenance		154,104
Legal and professional charges	20.2	11,500
Fee and subscription		436,534
Charity and donation		12,700
Entertainment		231,629
Depreciation	4	509,801
Miscellaneous		96,679
Vehicle running and maintenance		200,586
		<u><u>8,192,116</u></u>

20.1 This includes operating lease payments amounting Rs. 361,705.

**20.2 Auditor's remuneration**

This includes statutory audit fee as detailed below:

	2025	
	Note	Rupees
<b>Amin, Mudassar &amp; Co.</b>		
<b>Chartered Accountants</b>		
Statutory audit fee		<u><u>-</u></u>
		<u><u>-</u></u>
		<u><u>-</u></u>

**21 OTHER OPERATING EXPENSES**

Unrealized loss on long term investment	-
Punjab workers' welfare fund	-
	<u><u>-</u></u>

**22 OTHER INCOME**

<b>Income from financial assets</b>	
Dividend income	-
Interest income	5,553,637
Unrealized gain on long term investments	-
Reversal of provision for doubtful debt	-
	<u><u>5,553,637</u></u>

**Income from non financial assets**

Account maintenance and custody fee	-
	<u><u>5,553,637</u></u>

**23 FINANCE COST**

Bank charges	2,995
	<u><u>2,995</u></u>

24 LEVIES

Final tax

2025  
Rupees

24.1 This represents portion of final taxes paid under the provision of Income Tax Ordinance, 2001, representing levies in the financial statements.

2025  
Rupees

25 TAXATION

Income tax:  
- Current  
- Deferred

\_\_\_\_\_

25.1 Bifurcation/reconciliation between current tax charged under applicable income tax law and its categorization as 'Income Tax' and 'Levies' is as follows:

2025  
Note Rupees

Classified as:

25

Income tax

24

Levies

\_\_\_\_\_

Deferred tax

\_\_\_\_\_

25.2 Reconciliation between tax expense (including levies) and accounting profit

2025  
Note Rupees

Profit before taxation and levies

15,973,350

Tax at applicable rate

Tax effect of income under final tax regime

Tax on income under final tax regime

Tax effect of non-deductible expenses

Tax effect of deductible expenses

Adjustment of taxable losses

Adjustment of tax credits

Deferred taxation

Levies and Income Tax charged to Profit or Loss Account

25.1

\_\_\_\_\_

No

2025

26 EARNINGS PER SHARE - BASIC AND DILUTED

Profit for the year-Rupees

15,973,350

Weighted Average Number of ordinary shares  
outstanding during the year-Numbers

500,000

Earnings per share-Rupees

31.95

**27 NUMBER OF EMPLOYEES**

	2025 (Number)
Total number of employees at the end of year	<u>12</u>
Average number of employees during the year	<u>13</u>

**28 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES**

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

	2025					
	Chief Executive		Directors			
	R	u	p	e	e	s
Managerial remuneration		4,765,000			6,587,000	
Number of persons		1			2	

  

	2024					
	Chief Executive		Directors			
	R	u	p	e	e	s
Managerial remuneration		3,058,100			6,493,900	
Number of persons		1			2	

  

	2025
Rupees	

**29 FINANCIAL INSTRUMENTS BY CATEGORY****Financial assets and financial liabilities****Fair value through profit or loss**

Long term investment	<u>11,164,079</u>
At amortized cost	
Long term deposits	81,000
Loans and advances	1,124,000
Trade deposits and short term prepayment	68,482,215
Cash and bank balances	<u>20,018,747</u>
	<u>89,705,962</u>

**Financial liabilities****At amortized cost**

Deposits, accrued liabilities and advances	114,160
Trade and other payables	<u>1,103,282</u>
	<u>1,217,442</u>

**30 GENERAL**

Figures have been rounded off to the nearest of rupee.

**31 DATE OF AUTHORISATION FOR ISSUE**

These financial statements were authorized for issue on \_\_\_\_\_ by the Board of Directors of the Company.

27 NUMBER OF EMPLOYEES

	2025 (Number)
Total number of employees at the end of year	<u>12</u>
Average number of employees during the year	<u>13</u>

28 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

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

	2025					
	Chief Executive		Directors			
	R	u	p	e	e	s
Managerial remuneration		4,765,000		6,587,000		
Number of persons		1		2		
	2024					
	Chief Executive		Directors			
	R	u	p	e	e	s
Managerial remuneration		3,058,100		6,493,900		
Number of persons		1		2		
	2025					
	Rupees					
29 FINANCIAL INSTRUMENTS BY CATEGORY						
Financial assets and financial liabilities						
Fair value through profit or loss						
Long term investment						<u>11,164,079</u>
At amortized cost						
Long term deposits						81,000
Loans and advances						1,124,000
Trade deposits and short term prepayment						68,482,215
Cash and bank balances						<u>20,018,747</u>
Financial liabilities						
At amortized cost						
Deposits, accrued liabilities and advances						114,160
Trade and other payables						<u>1,103,282</u>

30 GENERAL

Figures have been rounded off to the nearest of rupee.

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These financial statements were authorized for issue on \_\_\_\_\_ by the Board of Directors of the Company.

*M&B*  
CHIEF EXECUTIVE



*S. J. S.*  
DIRECTOR