PROGRESSIVE SECURITIES (PVT) LTD

FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

Independent Auditor's Report to the Members of Progressive Securities (Pvt.) Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **Progressive Securities (Pvt.) 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 changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy 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 purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, 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, total 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 (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 Directors' Report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

Report on Other Legal and Regulatory Requirements

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

a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);

b) the statement of financial position, the statement of profit or loss, 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) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business;

d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980); and

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

The engagement partner on the audit resulting in this independent auditor's report is Muhammad Daoud.

CHARTERED ACCOUNTANTS

Lahore 30 OCT 2025

UDIN: AR2025100826h2kDAT9U

PROGRESSIVE 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	4,297,303	4,865,780
Intangible assets	5	9,031,296	8,086,996
Long term investment	6	96,611	48,308
Long term deposits	7	1,950,000	2,025,000
		15,375,210	15,026,084
CURRENT ASSETS			
Trade debts	8	-	-
Loan and advances	9	10,994,822	10,058,959
Trade deposits, short term prepayments and current account balances with statutory authorities	10	27,974,558	26,355,171
Tax deducted at source/advance income tax	11	1,159,901	1,132,032
Accrued profit		361,051	696,659
Cash and bank balances	12	4,981,160	2,949,533
		45,471,492	41,192,354
		60,846,702	56,218,438
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital	13	69,100,000	69,100,000
Revenue reserve			
Accumulated loss		(10,385,516)	(15,168,990)
		58,714,484	53,931,010
NON-CURRENT LIABILITIES			
Deferred liabilities	14	-	-
CURRENT LIABILITIES			
Deposits, accrued liabilities and advances	15	869,297	757,291
Trade and other payables	16	1,262,921	1,530,137
Provision for taxation and levies	17	-	-
		2,132,218	2,287,428
CONTINGENCIES AND COMMITMENTS	18	-	-
		60,846,702	56,218,438

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

CHIEF EXECUTIVE

DIRECTOR

PROGRESSIVE SECURITIES (PVT) LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 Rupees	2024 Rupees
Brokerage and commission	19	43,930,255	29,271,981
Capital loss on long term investment		(6,103)	(4,690,284)
Direct cost	20	(22,532,502)	(16,483,741)
		21,391,650	8,097,956
Operating expenses	21	(22,489,501)	(18,408,155)
Other operating expenses	22	(118,088)	(2,186,600)
Other income	23	7,014,894	7,138,244
		(15,592,695)	(13,456,511)
OPEARTING PROFIT/(LOSS)		5,798,955	(5,358,555)
Finance cost	24	(43,040)	(161,025)
PROFIT/(LOSS) BEFORE LEVIES AND INCOME TAX		5,755,915	(5,519,581)
Levies	25	(972,441)	(620,706)
PROFIT/(LOSS) BEFORE INCOME TAX		4,783,474	(6,140,287)
Income tax	26	-	-
PROFIT/(LOSS) AFTER INCOME TAX		4,783,474	(6,140,287)
Earnings per share - basic and diluted	27	0.69	(0.89)

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

CHIEF EXECUTIVE

DIRECTOR

PROGRESSIVE SECURITIES (PVT) LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2025

	2025 Rupees	2024 Rupees
Profit/(loss) for the year	4,783,474	(6,140,287)
Items that may be reclassified subsequently to statement of profit or loss	-	-
Items that will not be reclassified subsequently to statement of profit or loss	-	-
Other comprehensive income for the year	-	-
Total comprehensive income/(loss) for the year	4,783,474	(6,140,287)

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

CHIEF EXECUTIVE	**DIRECTOR**

PROGRESSIVE SECURITIES (PVT) LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2025

	Issued subscribed and paid up Capital	Accumulated loss	Total
	--------- (Rupees) --------		
Balance as at June 30, 2023	69,100,000	(9,028,703)	60,071,297
Loss after taxation	-	(6,140,287)	(6,140,287)
Other comprehensive loss	-	-	-
Total comprehensive loss for the year	-	(6,140,287)	(6,140,287)
Balance as at June 30, 2024	69,100,000	(15,168,990)	53,931,010
Profit after taxation	-	4,783,474	4,783,474
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	4,783,474	4,783,474
Balance as at June 30, 2025	69,100,000	(10,385,516)	58,714,484

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

CHIEF EXECUTIVE

DIRECTOR

PROGRESSIVE SECURITIES (PVT) LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 Rupees	2024 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(loss) before taxation		5,755,915	(5,519,581)
Adjustments for non cash items:			
Depreciation	4	936,977	1,147,698
Amortization	5.2	5,700	6,333
(Reversal)/provision for doubtful debts		(385,058)	908,195
Dividend income		(8,401)	(559,718)
Interest income		(6,513,132)	(6,509,575)
Capital loss on long term investment		6,103	4,690,284
Un-realized (gain)/loss on remeasurement of investment at fair value through profit or loss		(48,303)	27,305
Balances written off		-	1,251,100
		(6,006,114)	961,622
Operating Cash Flows Before Working capital changes		(250,199)	(4,557,959)
(Increase) / Decrease in Working Capital			
(Increase) / decrease in current assets			
Trade debts		-	2,862,119
Loans and advances		(550,805)	(1,516,434)
Trade deposits and short term prepayments		(1,619,387)	(21,284,171)
Increase / (decrease) in current liabilities			
Deposits, accrued liabilities and advances		112,006	239,608
Trade and other payables		(267,216)	(6,902,237)
		(2,325,402)	(26,601,115)
Cash Used in Operations		(2,575,601)	(31,159,074)
Taxes and levies paid		(1,000,310)	(1,078,824)
Dividend received		8,401	559,718
Interest received		6,848,741	5,926,402
		5,856,832	5,407,296
Net Cash Generated From/(Used in) Operations		3,281,231	(25,751,778)
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(368,500)	(111,500)
Intangible assets acquired		(950,000)	-
Long term deposit		75,000	8,150,000
Purchases of short term investments		(3,864,424)	-
Proceeds against sale of investment		3,858,320	5,853,522
Net Cash (Used In)/Generated From Investing Activities		(1,249,604)	13,892,022
CASH FLOWS FROM FINANCING ACTIVITIES		-	-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		2,031,627	(11,859,756)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		2,949,533	14,809,289
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	A	4,981,160	2,949,533
A Cash and Cash Equivalents			
Cash and bank balances	12	4,981,160	2,949,533
		4,981,160	2,949,533

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

CHIEF EXECUTIVE

DIRECTOR

PROGRESSIVE 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 as Private Limited Company on April 26, 2000 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 5th Floor, Room # 520, 19- Khayaban-e-Aiwan-e-Iqbal, Lahore Stock Exchange Building, Lahore. The branch offices of the company are located at 6th Floor, Room # 608, 19- Khayaban-e-Aiwan-e-Iqbal, Lahore Stock Exchange Building, Lahore and 33-F, 1st Floor, AL-Rehman Trade Centre, University Road, Sargodha.

The company is holder of Trading Right Entitlement Certificate-TREC (Trade Only) 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.

2.3 FUNCTIONAL AND PRESENTATION CURRENCY

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

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
- Impairment loss of non-financial assets other than inventories
- Estimation of provisions
- Estimation of contingent liabilities
- Current income tax expense, provision for current tax and recognition of deferred tax asset

3 SUMMARY OF MATERIAL ACCOUNTING POLICIES

3.1 PROPERTY AND EQUIPMENT

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses (if any).

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 in which an asset is ready to use while no depreciation is charged for the day in 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.

Gain or loss on disposal of property and equipment, if any is taken to profit or loss.

3.2 INTANGIBLE ASSETS

Intangible assets with finite useful life are stated at cost less amortization and 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.

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.

3.2.2 Computer Software

Expenditure incurred to acquire identifiable computer software and having probable economic benefits exceeding the cost beyond one year, is recognized as an intangible asset. Such expenditure includes the purchase cost of software (license fee) and related overhead cost.

Costs associated with maintaining computer software programs are recognized as an expense when incurred.

Costs which enhance or extend the performance of computer software beyond its original specification and useful life is recognized as capital improvement and added to the original cost of the software.

Computer software and license costs are stated at cost less accumulated amortization and any identified impairment loss and amortized is charged using reducing balance method.

Amortization is charged when asset is available for use until asset is disposed off.

3.3 METHOD OF PREPARATION OF CASH FLOW STATEMENT

The cash flow statement is prepared using indirect method.

3.4 FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Financial assets and financial liabilities are initially measured at its fair value, which is normally the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are subsequently measured at fair value through profit or loss) and subsequently at amortised cost less impairment, except for investments that are publicly traded or whose fair value can otherwise be measured reliably without undue cost or effort. Such investments are measured at fair value with changes in fair value recognised in profit or loss.

Financial assets are derecognized when rights to cash flows from financial assets are settled or expired. Financial liabilities are derecognized when these are extinguished.

Financial assets and financial liabilities are off-set and the net amount is reported in the statement of financial position if the Institute has a legally enforceable right to set-off the recognized amounts and intends either to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

3.5 TRADE DEBTS AND OTHER RECEIVABLES

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.

3.6 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.

3.7 BORROWINGS

Loans are measured at amortised cost using the effective interest method. Interest expense is recognised on the basis of the effective interest method and is included in finance costs.

In case the loan is interest-free or carries interest below the prevalent market rate, it is initially recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. The difference between the discounted present value and actual receipt is recognised as finance income. Subsequently, the interest-free loan is measured at amortized cost, using the effective Interest rate method, this involves unwinding of discount, such that at the repayment date, the carrying value of obligation equals the amount to be repaid. The unwinding of discount is included in finance costs in the statement of profit or loss.

3.8 TAXATION

Current

The charge for current taxation is based on the taxable income for the year, determined in accordance with the prevailing law for taxation on income, using prevailing tax rates after taking into account tax credits and rebates available, if any. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability.

Deferred

Deferred tax is recognised using liability method, providing for temporary difference between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using the tax rates enacted or substantively enacted at the reporting date.

The Company recognises a deferred tax asset to the extent that it is probable that taxable profits for the foreseeable future will be available against which the assets can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

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.

3.9 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.

3.10 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.

3.11 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.

3.12 FOREIGN CURRENCY TRANSACTIONS AND TRANSLATION

Transactions denominated in foreign currencies are translated to Pakistan Rupees at the exchanges rate ruling at the date of transaction.

Monetary assets and liabilities in foreign currencies at reporting date are translated into Pakistan Rupees at exchange rates ruling on that date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

3.13 IMPAIRMENT OF FINANCIAL ASSETS OTHER THAN TRADE RECIEVABLES

The financial assets other than those that are carried at fair value are assessed at each reporting date to determine whether there is any objective evidence of their impairment. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occured after the initial recognition of the asset, and that loss event(s) had an impact on the estimated future cashflows of that asset that can be estimated reliably.

The impairmnet loss is recognized immediately in the statement of profit & loss & the carrying amount of the related financial asset is reduced accordingly. An impairment loss is reversed only if the reversal can be related objectively to an event occuring after the impairment loss was recognized.

3.14 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.

3.15 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 and loss account 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 other comprehensive income' are included in other comprehensive income in the period in which they arise.
- 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.

M/s Progressive Securities (Pvt) Ltd. PSX TREC # 256 Pakistan Stock Exchange Ltd.

M/s Progressive Securities (Pvt) Ltd. PSX TREC # 256 Pakistan Stock Exchange Ltd.

3.16 BASIC AND DILUTED EARNINGS PER SHARE

The Company presents basic and diluted earnings per share (EPS) for its shareholders. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, if any.

3.17 RELATED PARTY TRANSACTIONS

Transactions and contracts with the related parties are carried out at an arm's length price determined in accordance with comparable uncontrolled price method except permitted by the regulatory authorities or reason disclosed in relevant note to the financial statements, if any. Transactions with related parties have been disclosed in the relevant notes to the financial statements.

3.18 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.

4 PROPERTY AND EQUIPMENT

Particulars	Cost				Depreciation					Book value
	As at June 30, 2024	Additions	Deletions	As at June 30, 2025	Rate %	As at June 30, 2024	Charge for the year	Adjustment	As at June 30, 2025	As at June 30, 2025
	Rupees					Rupees				
OWNED										
Computers	2,271,401	-	-	2,271,401	30%	2,181,986	26,825	-	2,208,811	62,590
Mobile phones	764,450	-	-	764,450	30%	583,326	54,337	-	637,663	126,787
Furniture and fixtures	612,036	21,000	-	633,036	10%	392,989	23,148	-	416,137	216,899
Office equipment	199,080	23,100	-	222,180	10%	158,567	8,187	-	166,754	55,426
Air conditioner	417,900	133,000	-	550,900	10%	287,267	14,958	-	302,225	248,675
Electric equipment	718,781	191,400	-	910,181	10%	457,102	27,352	-	484,454	425,727
Arms and ammunition	265,000	-	-	265,000	10%	199,966	6,503	-	206,469	58,531
Vehicles	9,090,585	-	-	9,090,585	20%	5,212,250	775,667	-	5,987,917	3,102,668
	14,339,233	**368,500**	**-**	**14,707,733**		**9,473,453**	**936,977**	**-**	**10,410,430**	**4,297,303**

4.1 Allocation of depreciation

	Note	2025 Rupees	2024 Rupees
Operating expense	21	936,977	1,147,698

4.2 PROPERTY AND EQUIPMENT

Particulars	Cost				Depreciation					Book value
	As at June 30, 2023	Additions	Deletions	As at June 30, 2024	Rate %	As at June 30, 2023	Charge for the year	Adjustment	As at June 30, 2024	As at June 30, 2024
	-Rupees-					-Rupees-				
OWNED										
Computers	2,246,601	24,800	-	2,271,401	30%	2,149,386	32,600	-	2,181,986	89,415
Mobile phones	683,250	81,200	-	764,450	30%	517,272	66,054	-	583,326	181,124
Furniture and fixtures	612,036	-	-	612,036	10%	368,650	24,339	-	392,989	219,047
Office equipment	199,080	-	-	199,080	10%	154,065	4,502	-	158,567	40,513
Air conditioner	417,900	-	-	417,900	10%	272,752	14,515	-	287,267	130,633
Electric equipment	713,281	5,500	-	718,781	10%	428,224	28,878	-	457,102	261,679
Arms and ammunition	265,000	-	-	265,000	10%	192,740	7,226	-	199,966	65,034
Vehicles	9,090,585	-	-	9,090,585	20%	4,242,666	969,584	-	5,212,250	3,878,335
	14,227,733	111,500	-	14,339,233		8,325,755	1,147,698	-	9,473,453	4,865,780

	Note	2025 Rupees	2024 Rupees
5 INTANGIBLE ASSETS			
Rights of rooms		5,530,000	5,530,000
Trading right entitlement certificate (TREC)	5.1	2,500,000	2,500,000
Software	5.2	51,296	56,996
Membership - other		950,000	-
		9,031,296	8,086,996

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 ammortization.

	Note	2025 Rupees	2024 Rupees
5.2 Software			
Cost:			
Balance as at July 01,		110,000	110,000
Additions during the year		-	-
Balance as at June 30,		110,000	110,000
Amortization:			
Balance as at July 01,		53,004	46,671
Charge for the year	21	5,700	6,333
Balance as at June 30,		58,704	53,004
Net book value		51,296	56,996
Rate of amortization		10%	10%

6 LONG TERM INVESTMENT

	Note	2025 Rupees	2024 Rupees
Quoted			
At fair value through profit and loss			
As at July 01,		54,956	7,718,256
Shares sold during the year		-	(7,663,300)
		54,956	54,956
Fair value adjustment	6.1	41,655	(6,648)
	6.2	96,611	48,308
6.1 Movement in fair value reserve:			
Opening balance		(6,648)	2,901,163
Gain/(loss) on re-measurement of investment		48,303	(2,907,811)
		41,655	(6,648)

PSX TREC # 256

PSX TREC # 256

6.2 Particulars of shares

	No. of shares	Value Rupees	Pledge Rupees
LSE Venture Limited	8,401	96,611	Nil

		Note	2025 Rupees	2024 Rupees
7	**LONG TERM DEPOSITS**			
	Deposits with:			
	Central Depositary Company Limited		100,000	100,000
	Pakistan Stock Exchage against BMC	7.1	1,850,000	1,850,000
	Security deposit		-	75,000
			1,950,000	2,025,000

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

		Note	2025 Rupees	2024 Rupees
8	**TRADE DEBTS**			
	Receivable from clients on account of:			
	Purchase of shares on behalf of clients		2,184,670	2,812,500
	Receivable from related party	8.1	-	385,058
			2,184,670	3,197,558
	Less: Provision for doubtful debts	8.3	(2,184,670)	(3,197,558)
		8.4	-	-

8.1 Receivable from related party comprises of the following:

Name	Basis of relationship	Maximum aggregate amount Rupees	2025 Rupees	2024 Rupees
Mr. Sajjad Ahmed	Chief Executive	385,058	-	385,058

		Note	2025 Rupees	2024 Rupees
8.3	**Movement is as follows**			
	Opening balance		3,197,558	2,289,363
	(Reversal)/provision made during the year		(385,058)	908,195
	Less: Balances written off		(627,830)	-
		8.3.1	2,184,670	3,197,558

8.3.1 This included provision amounting Rs. nil (2024: Rs. 385,058) against receivable from Mr. Sajjad Ahmed (Chief Executive Officer). Provision was based on balances outstanding for more than 5 days exceeding market value of holding securities after VAR haircut.

	Note	2025 Rupees	2024 Rupees
9 LOANS AND ADVANCES			
Advances to: (unsecured but considered good)			
Employees against salary		337,654	1,072,423
Sajjad Ahmad - Chief Executive Officer	9.1	10,657,168	8,986,535
		10,994,822	10,058,959

9.1 Chief Executive-Mr Sajjad Ahmed

	2025	2024
Balance as at July 01,	8,986,535	7,894,890
Disbursed during the year	39,742,708	31,651,720
Repayments/adjustments made during the year	(38,072,075)	(30,560,075)
	10,657,168	8,986,535

9.2 Ageing analysis of the amounts due from related parties as follows:

	Upto 1 months	1 to 6 months	More than 6 months	As at June 30, 2025
	Rupees			
Sajjad Ahmed - CEO	10,000,000	657,168	-	10,657,168

9.3 This represents interest free and unsecured balance due from the Chief Executive of the company having shareholding as referred to note 13.1 to the financial statements. It is recoverable on demand of the company. The maximum aggregate amount outstanding at the month-end balance was amounting Rs.10.66 million (2024: Rs. 10.61 million).

	Note	2025 Rupees	2024 Rupees
10 TRADE DEPOSITS, SHORT TERM PREPAYMENTS AND CURRENT ACCOUNT BALANCE WITH STATUTORY AUTHORITIES			
Deposits with:			
EClear Services Ltd.	10.1	27,899,558	26,355,171
Other deposit		75,000	-
		27,974,558	26,355,171

10.1 This carried profit ranging from 8% to 14%.

M/s Progressive Securities (Pvt) Ltd. PSX TREC # 256 Pakistan Stock Exchange Ltd.

M/s Progressive Securities (Pvt) Ltd. PSX TREC # 256 Pakistan Stock Exchange Ltd.

	Note	2025 Rupees	2024 Rupees
11 TAX DEDUCTED AT SOURCE/ADVANCE INCOME TAX			
Opening balance		1,132,032	673,914
Deducted during the year		1,000,310	1,078,824
		2,132,342	1,752,738
Adjustment made during the year against:			
Provision for taxation and levies - prior year		-	(88,617)
Provision for taxation and levies - current year	26.1	(972,441)	(532,089)
		(972,441)	(620,706)
		1,159,901	1,132,032

12 CASH AND BANK BALANCES

These were held as under:

	2025 Rupees	2024 Rupees
In hand	1,506,559	1,497,506
At bank - in current accounts		
Pertaining to brokerage house	3,104,957	1,330,925
Pertaining to clients	181,372	24,443
	3,286,329	1,355,368
At bank - in saving accounts		
Pertaining to clients	188,272	96,659
	188,272	96,659
	4,981,160	2,949,533

13 SHARE CAPITAL

	2025 Rupees	2024 Rupees
Authorized		
7,500,000 (2024: 7,500,000) ordinary shares of Rs.10 each	75,000,000	75,000,000
Issued, subscribed and paid up		
3,800,000 (2024: 3,800,000) ordinary shares of Rs.10 each fully paid in cash	38,000,000	38,000,000
1,000,000 (2024: 1,000,000) ordinary shares of Rs.10 each fully paid for consideration other than cash (issued against membership card of stock exchange)	10,000,000	10,000,000
2,110,000 (2024: 2,110,000) Ordinary Shares of Rs. 10 each issued as bonus shares	21,100,000	21,100,000
	69,100,000	69,100,000

M/s Progressive Securities (Pvt) Ltd. PSX TREC # 256 Pakistan Stock Exchange Ltd.

M/s Progressive Securities (Pvt) Ltd. PSX TREC # 256 Pakistan Stock Exchange Ltd.

13.1 Pattern of Shareholding:

Categories of shareholders

	% of shares held		Number of shares held	
	2025	2024	2025	2024
Individuals				
Chief Executive				
Mr. Sajjad Ahmed	99.99%	99.99%	6,909,198	6,909,198
Director				
Mr. Shaikh Mohammad Ahsan	0.01%	0.01%	802	802
	100%	100%	6,910,000	6,910,000

14 DEFERRED LIABILITIES

Deferred Taxation

	Note	2025 Rupees	2024 Rupees
Deferred credits/(debits) arising due to:			
Accelerated tax depreciation		288,078	374,841
Accelerated tax amortization		5,249	3,653
Provision for doubtful debts		(633,554)	(927,292)
Provision for PWWF		(171,546)	(134,913)
Unrealized gain/(loss) on long term investment		3,124	(665)
Capital losses on investments		(1,125,607)	(1,088,034)
Taxable loss		(443,760)	(2,333,256)
Alternative Corporate Tax		(971,181)	-
Minimum Tax		(695,024)	(695,024)
Deferred tax asset not recognised		3,744,221	4,800,690
		-	-
Balance as at July 01,		-	-
Charge for the year in profit or loss		-	-
		-	-

14.1 At the year end, net deductible temporary differences, taxable losses and tax credits resulted in a net deferred tax asset amounting Rs.3.73 million (2024: Rs.4.80 million). However, deferred tax asset has not been recognized in these financial statements being prudent. The management is of the view that recognition of deferred tax asset shall be reassessed as at June 30, 2026.

14.2 Business losses would expire as follows:

Accounting year to which business loss relates	Rupees	Accounting year in which business loss will expire
2023	770,930	2029

14.3 Depreciation losses with no expiry are as follows:

Accounting year to which business loss relates	Rupees
2023	759,276

M/s Progressive Securities (Pvt) Ltd. PSX TREC # 256 Pakistan Stock Exchange Ltd.

M/s Progressive Securities (Pvt) Ltd. PSX TREC # 256 Pakistan Stock Exchange Ltd.

14.4 Minimum tax would expire as follows:

Accounting year to minimum credits relates	Rupees	Accounting year in which minimum credits will expire
2023	246,893	2026
2024	448,131	2027

14.5 Capital losses would expire as follows:

Accounting year to which capital loss relates	Rupees	Accounting year in which capital loss will expire
2023	1,608,955	2026
2024	5,620,429	2027
2025	274,660	2028

14.6 Alternative corporate taxes would expire as follows:

Accounting year to which alternative corporate taxes	Rupees	Accounting year in which alternative corporate taxes
2025	971,181	2035

	Note	2025 Rupees	2024 Rupees
15 DEPOSITS, ACCRUED LIABILITIES AND ADVANCES			
Accrued expenses		869,297	757,291
16 TRADE AND OTHER PAYABLES			
Creditors for sale of shares on behalf of clients	16.1	153,922	315,439
Tax deducted at source payable		138,869	106,768
Punjab workers' welfare fund payable		598,000	479,912
Other payables		372,130	628,018
		1,262,921	1,530,137
17 PROVISION FOR TAXATION AND LEVIES			
Opening balance		-	-
Add: Provision for taxation and levies	26.1	972,441	532,089
Adjusted against tax deducted at source/advance tax	11	(972,441)	(532,089)
		-	-

18 CONTINGENCIES AND COMMITMENTS

18.1 Contingencies

18.1.1 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.

18.2 Commitments

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

M/s Progressive Securities (Pvt) Ltd. PSX TREC # 256 Pakistan Stock Exchange Ltd.

M/s Progressive Securities (Pvt) Ltd. PSX TREC # 256 Pakistan Stock Exchange Ltd.

		Note	2025 Rupees	2024 Rupees
19	**BROKERAGE AND COMMISSION**			
	Retail Customers		50,959,096	33,955,499
	Less: Sales tax		(7,028,841)	(4,683,518)
			43,930,255	29,271,981
20	**DIRECT COST**			
	Charges paid to/against:			
	Central Depository Company		704,007	448,917
	LSE Financial Services Limited		-	110,250
	Eclear Services Limited		4,121,487	2,606,954
	Pakistan Stock Exchange Limited		1,990,289	1,440,809
	National Clearing Company of Pakistan Limited		259,355	502,445
	Commission paid		15,457,364	11,374,365
			22,532,502	16,483,741
21	**OPERATING EXPENSES**			
	Directors Remuneration		1,440,000	1,680,000
	Staff salaries and benefits		5,712,000	6,298,457
	Rent, rates and taxes	21.1	1,239,666	1,169,366
	Communication		584,194	507,607
	Electricity		657,171	664,583
	Postage and courier		73,379	98,614
	Legal and professional	21.2	202,050	302,630
	Fee and subscription		206,025	88,825
	Printing and stationery		290,638	168,685
	Office expenses		463,618	179,716
	Repair and maintenance		1,033,732	661,663
	Vehicle running and maintenance		927,441	205,208
	Travelling and conveyance		773,552	599,678
	Software maintenance		1,136,773	264,074
	Newspaper and periodicals		16,845	47,605
	Entertainment		1,902,379	1,582,861
	Insurance		4,294	3,219
	Charity and donation		1,373,917	988,170
	Branch offices		616,710	353,107
	Depreciation	4.1	936,977	1,147,698
	Amortization	5.2	5,700	6,333
	Miscellaneous		2,892,440	1,390,057
			22,489,501	18,408,155

21.1 This includes opearting lease payments amounting Rs.944,000.

21.2 Auditor's remuneration

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

	Note	2025 Rupees	2024 Rupees
Amin, Mudassar & Co.			
Chartered Accountants			
Statutory audit		148,500	135,000
Corporate services		22,050	43,050
		170,550	178,050

	Note	2025 Rupees	2024 Rupees

22 OTHER OPERATING EXPENSES

	Note	2025 Rupees	2024 Rupees
Provision for doubtful debts		-	908,195
Un-realized loss on long term investment		-	27,305
Balances written off		-	1,251,100
Punjab worker's welfare fund		118,088	-
		118,088	2,186,600

23 OTHER INCOME

	Note	2025 Rupees	2024 Rupees
Income from financial assets			
Dividend income		8,401	559,718
Interest income		6,513,132	6,509,575
Reversal of provision for doubtful debts		385,058	-
Un-realized gain on long term investment		48,303	-
		6,954,894	7,069,293
Income from assets other than financial assets			
Account maintenance charges		60,000	68,951
Balances written back		-	-
		60,000	68,951
		7,014,894	7,138,244

24 FINANCE COST

	Note	2025 Rupees	2024 Rupees
Bank charges		43,040	161,025
		43,040	161,025

25 LEVIES

	Note	2025 Rupees	2024 Rupees
Minimium tax		-	448,131
Alternative corporate tax		971,181	-
Final tax		1,260	83,958
	25.1	972,441	532,089
Prior year		-	88,617
		972,441	620,706

25.1 This represents portion of minimum, final or alternative corporate taxes paid under the provisions of the Income Tax Ordinance, 2001, representing levies in the financial statements.

26 TAXATION

	Note	2025 Rupees	2024 Rupees
Income tax:			
For the year			
-Current		-	-
-Prior year		-	-
-Deferred	14	-	-
		-	-

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

		2025	2024
		Rupees	**Rupees**
Classified as:			
Income tax	26	-	-
Levies	25	972,441	532,089
		972,441	532,089
Prior year		-	88,617
Deferred tax	26	-	-
		972,441	620,706

26.3 No numeric tax rate reconciliation is presented for the current and previous year in these financial statements as the company was either liable to pay tax under final tax regime, minimum tax regime or the alternative corporate tax regime under the premises of the Income Tax Ordinance, 2001.

27 EARNINGS PER SHARE - BASIC AND DILUTED

	2025	2024
Profit/(loss) for the year - Rupees	4,783,474	(6,140,287)
Weighted average number of ordinary shares outstanding during the year - Numbers	6,910,000	6,910,000
Earnings per share - Rupees	0.69	(0.89)

28 NUMBER OF EMPLOYEES

	2025	2024
	(Number)	
Total number of employees at the end of the year	10	10
Average number of employees at the year end	11	11

29 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

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

	2025	2024
	Rupees	**Rupees**
Remuneration of Chief Executive	1,440,000	1,680,000
Number of persons	1	1

29.1 The Chief Executive of the company is also provided with free use of company maintained cars having cost amounting Rs. 9.09 million and allowance for residential house amounting Rs.944,000 (2024: Rs. 896,800)

29.2 No employee meets the criteria of executive in accordance with the requirements of the Companies Act, 2017.

	2025 Rupees	2024 Rupees

30 FINANCIAL INSTRUMENTS BY CATEGORY

Financial assets and financial liabilities

Financial assets

	2025 Rupees	2024 Rupees
At fair value through profit or loss		
Long term investment	96,611	48,308
At amortised cost		
Long term deposits	1,950,000	2,025,000
Trade debts	-	
Loans and advances	10,657,168	8,986,535
Trade deposits and short term prepayments	27,974,558	26,355,171
Accrued profit	361,051	696,659
Cash and bank balances	4,981,160	2,949,533
	45,923,937	41,012,898

Financial liabilities

	2025 Rupees	2024 Rupees
At amortized cost		
Deposits, accrued liabilities and advances	869,297	757,291
Trade and other payables	526,052	943,457
	1,395,349	1,700,748

31 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.

32 GENERAL

Figures have been rounded off to the nearest of rupee.

33 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorized for issue on 30 OCT 2025 by the Board of Directors of the Company.

CHIEF EXECUTIVE

DIRECTOR

AMIN, MUDASSAR & CO.

Chartered Accountants

H 8/3 Aziz Avenue Gulberg- V Canal Road,
Lahore Pakistan
Ph #: +92 42 35717261-62 Fax #: +92 42 35717263
E-mail: amclhr1@brain.net.pk

October 27, 2025
51/2025

The Board of Directors,
PROGRESSIVE SECURITIES (PRIVATE) LIMITED,
6th Floor, Room # 608,
Lahore Stock Exchange Building,
Lahore.

Dear Sirs,

FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025

We enclose two copies of the financial statements together with our initialed report to the members for the purpose of identification. We shall be pleased to sign our report in the present or amended form after:

(a) The financial statements have been approved by the Board and signed by the Chief Executive and another designated director.

(b) We have received management representation letter on the lines of the draft furnished to the Chief Financial Officer; and

(c) We have seen Board's specific approval for the items given below:

	Rupees
Additions to fixed assets	368,500
Reversal of provision for doubtful debts	385,058
Balances written off	627,830
Balance due from Mr. Sajjad Ahmad (Chief Executive officer)	
- Disbursed during the year	39,742,708
- Repayments/ adjustments during the year	38,072,075

(d) Minutes of meeting of board of directors wherein these financial statements have been approved; and

(e) We have received director's report.

We wish to place on record our appreciation for the courtesy and cooperation extended to us by the company's personnel during the course of our audit.

Yours faithfully,

CHARTERED ACCOUNTANTS