

**UBL FINANCIAL SERVICES
(PRIVATE) LIMITED**

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
DECEMBER 31, 2025**

Independent Auditor's Report to the Members of UBL Financial Services (Private) Limited**Report on the Audit of the Financial Statements****Opinion**

We have audited the annexed financial statements of UBL Financial Services (Private) Limited (the Company), which comprise of the statement of financial position as at December 31, 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 December 31, 2025 and of the income, the other 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 information in 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 requirements of section 78 of the Securities Act, 2015 and the relevant requirements of Securities Brokers (Licensing and Operations) Regulations, 2016 as at the date on which the balance sheet was prepared.

Other Matter

The financial statements for the year ended December 31, 2024, were audited by EY Ford Rhodes Chartered Accountants who expressed an unqualified opinion on those financial statements on March 13, 2025.

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

Chartered Accountants

Karachi:

UDIN:

UBL FINANCIAL SERVICES (PRIVATE) LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2025

	Note	December 31, 2025 Rupees	December 31, 2024 Rupees
ASSETS			
<u>NON-CURRENT ASSETS</u>			
Property and equipment	5	6,099,257	497,991
Intangible assets	6	5,384,000	-
Long-term deposits	7	205,800	5,800
		11,689,057	503,791
<u>CURRENT ASSETS</u>			
Short-term investment	8	272,929,247	175,272,729
Due from related party	9	-	59,107,980
Loan and advances		-	52,771
Short term prepayments	10	861,855	1,764,803
Advance tax - net		7,500,540	-
Cash and bank balances	11	729,532	5,219,249
		282,021,174	241,417,532
		293,710,231	241,921,323
TOTAL ASSETS			
<u>EQUITY AND LIABILITIES</u>			
<u>SHARE CAPITAL AND RESERVES</u>			
Authorized capital: 20,000,000 (2024: 20,000,000) ordinary shares of Rs.10 each		200,000,000	200,000,000
Issued, subscribed and paid-up capital	12	120,600,000	120,600,000
Revenue reserve - unappropriated profit		153,829,706	65,779,738
		274,429,706	186,379,738
<u>CURRENT LIABILITIES</u>			
Due to related party	13	16,230,188	-
Trade and other payables	14	2,869,757	33,048,119
Sales tax payable		-	4,968,004
Deferred tax liability - net	15	180,580	190,387
Provision for taxation - net		-	17,335,075
		19,280,525	55,541,585
CONTINGENCIES AND COMMITMENTS			
	16	-	-
TOTAL EQUITY AND LIABILITIES		293,710,231	241,921,323

The annexed notes from 1 to 34 form an integral part of these financial statements

CHIEF EXECUTIVE

DIRECTOR

UBL FINANCIAL SERVICES (PRIVATE) LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED DECEMBER 31, 2025

		December 31, 2025	December 31, 2024
	Note	Rupees	Rupees
Revenue			
Distribution commission -net	17	135,795,288	227,472,497
Unrealized gain on investment		669,716	7,857,850
Realized gain on sale of investment		9,896,546	1,745,679
Dividend income		13,069,179	8,413,855
		<u>159,430,729</u>	<u>245,489,881</u>
Expeses			
Administrative and general expenses	18	6,199,990	6,593,035
Selling and distribution expenses	19	45,314,331	96,372,838
Other expenses	20	608,494	3,238,266
		<u>52,122,815</u>	<u>106,204,139</u>
Other income	21	1,742,106	555
Financial charges	22	35,048	72,608
Profit before income tax, final taxes and minimum tax differential		<u>109,014,972</u>	<u>139,213,689</u>
Profit before income tax		<u>109,014,972</u>	<u>139,213,689</u>
Income tax			
Tax for the year	23	(20,920,795)	(39,368,103)
Profit after taxes		<u>88,094,177</u>	<u>99,845,586</u>
Earnings per share - basic and diluted	24	<u>7.30</u>	<u>4.99</u>

The annexed notes from 1 to 34 form an integral part of these financial statements

CHIEF EXECUTIVE

DIRECTOR

**UBL FINANCIAL SERVICES (PRIVATE) LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2025**

	December 31, 2025	December 31, 2024
	Rupees	Rupees
Profit after taxes	88,094,177	99,845,586
OTHER COMPREHENSIVE INCOME		
Remeasurement of employee benefits obligation - net of tax	(44,209)	3,031,399
Total comprehensive income for the year	<u>88,049,968</u>	<u>102,876,985</u>

The annexed notes from 1 to 34 form an integral part of these financial statements

CHIEF EXECUTIVE OFFICER

DIRECTOR

UBL FINANCIAL SERVICES (PRIVATE) LIMITED
 STATEMENT OF CHANGES IN EQUITY
 FOR THE YEAR ENDED DECEMBER 31, 2025

	Issued, subscribed and paid-up capital	(Accumulated losses) / Unappropriated profit	Total
	----- Rupees -----		
Balance as at December 31, 2023	120,600,000	(37,097,247)	83,502,753
Total comprehensive income for the year	-	102,876,985	102,876,985
Balance as at December 31, 2024	<u>120,600,000</u>	<u>65,779,738</u>	<u>186,379,738</u>
Total comprehensive income for the year	-	88,049,968	88,049,968
Balance as at December 31, 2025	<u>120,600,000</u>	<u>153,829,706</u>	<u>274,429,706</u>

The annexed notes from 1 to 34 form an integral part of these financial statements

2025

CHIEF EXECUTIVE

DIRECTOR

UBL FINANCIAL SERVICES (PRIVATE) LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2025

	December 31, 2025	December 31, 2024
Note	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax, final taxes and minimum tax differential	109,014,972	139,213,689
<u>Adjustment for non-cash other items:</u>		
Depreciation on fixed assets	405,652	584,498
Gratuity expense	1,085,932	2,312,541
Unrealized gain on investment	(669,716)	(7,857,850)
Realized (gain) / loss on sale of investment	(9,896,546)	(1,745,679)
Dividend income	(13,069,179)	(8,413,855)
Workers' Welfare Fund	-	2,785,768
	<u>(22,143,857)</u>	<u>(12,334,577)</u>
Operating profit before working capital changes	86,871,115	126,879,112
<u>Decrease / (increase) in current assets</u>		
Trade and other receivables	59,107,980	(45,581,705)
Loans and advances	52,771	18,750
Short term prepayments	902,948	(1,370,323)
	60,063,699	(46,933,278)
<u>(Decrease) / increase in current liabilities</u>		
Trade and other payables	(25,167,802)	26,748,640
Due to related party	16,230,188	-
Sales tax payable	(4,968,004)	1,662,452
	(13,905,618)	28,411,092
Cash generated from operations	133,029,196	108,356,926
Decrease in long term deposits	(200,000)	1,380,000
Contribution paid to gratuity fund	(2,305,756)	(2,289,078)
Taxes paid	(45,766,217)	(23,175,945)
WWF paid	(3,834,945)	-
	<u>(52,106,918)</u>	<u>(24,085,023)</u>
Net cash generated from operating activities	80,922,278	84,271,903
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(11,710,291)	-
Property and equipment transferred to Parent Company	319,373	-
Dividend received	13,069,179	8,413,855
Investments - net	(87,090,256)	(93,874,895)
Net cash used in investing activities	(85,411,995)	(85,461,040)
Net decrease in cash and cash equivalents	(4,489,717)	(1,189,137)
Cash and cash equivalents at the beginning of the year	5,219,249	6,408,386
Cash and cash equivalents at the end of the year	<u>729,532</u>	<u>5,219,249</u>

The annexed notes from 1 to 34 form an integral part of these financial statements

CHIEF EXECUTIVE

DIRECTOR

UBL FINANCIAL SERVICES (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025

1 LEGAL STATUS AND OPERATIONS

- 1.1** UBL Financial services (Private) Limited (Formerly: Al Ameen Financial Services (Private) Limited) ("the Company") was incorporated on February 27, 2014 as a private limited company in Pakistan under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). The legal name of the Company has been changed from Al Ameen Services (Private) Limited to UBL Financial services (Private) Limited with effect from 14 June 2025. The principal activities of the Company are providing financial related services including but not limited to distribution of financial products and investments including units of Collective Investment Schemes (CIS) and Voluntary Pension Schemes (VPS). The registered office of the Company is situated at 4th Floor, Syedna Tahir Saifuddin Memorial (STSM) Building, Beaumont Road, Civil Lines, Karachi. The Company is a wholly owned subsidiary of UBL Fund Managers Limited ("the Parent Company"). The Parent Company's registered office is situated at 4th Floor, Syedna Tahir Saifuddin Memorial (STSM) Building, Beaumont Road, Civil Lines, Karachi.

2 BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Boards (IASB) as notified under the Companies Act, 2017 (the act).
- Provision of and directives issued under the Companies Act, 2017

Where provisions of and directives issued under the Companies Act, 2017 differ from IFRS, the provisions of and directives issued under Companies Act, 2017 have been followed.

2.2 Basis of measurement

These financial statements have been prepared on the basis of historical cost convention except otherwise stated in respective policy notes.

2.3 Functional and presentation currency

These financial statements are presented in Pak Rupees, which is the functional and presentation currency of the Company and rounded off to the nearest rupee.

2.4 Foreign currency translation

Foreign currency transactions are translated into functional currency using exchange rate prevailing on the date of transactions. Foreign exchange gain or losses arises from the settlement of such transactions and from the translation at year end exchange rate of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of profit or loss.

2.5 Key judgement and estimates

The preparation of the financial statements in conformity with the accounting and reporting standards requires the use of certain critical accounting estimates. It also requires the 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, including expectations of future events that are believed to be reasonable under the circumstances. The areas where various assumptions and estimates are significant to the Company's financial statements or where judgment was exercised in application of accounting policies are as follows:

- provision for taxation (notes 4.8 and 23);
- valuation of investments (notes 4.2 and 8);
- Estimates of residual values, useful lives and depreciation methods of property and equipment (notes 4.1 and 5.1);
- intangible assets (note 6);

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

3 STANDARDS, AMENDMENTS AND INTERPRETATIONS ADOPTED DURING THE YEAR

There are certain new standards and amendments that are mandatory for the Company's accounting

3.1 Standards, interpretations and amendments to approved accounting standards that are not yet effective

The following revised standards, amendments and interpretations with respect to approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standards or interpretation:

	Standards or Interpretation	Effective Date (Accounting periods beginning on or after)
IFRS 10	Consolidated Financial Statements and IAS 28 Investment in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendment)	Not yet finalized
IFRS 17	Insurance Contracts	January 1, 2026
IAS 21	Lack of Exchangeability (Amendments to IAS 21)	January 1, 2025
IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)	January 1, 2026

Standards or Interpretation	Effective Date (Accounting periods beginning on or after)
IFRS 1, 7, 9, Volume 11 (Annual improvements to IFRS 10 & IAS 7 Accounting Standards)	January 1, 2026
IFRS 1 and IFRS 7 Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7)	January 1, 2026
IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information	July 1, 2027
IFRS S2 Climate-related Disclosures	July 1, 2027

The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

The Company expects that the adoption of the above revisions, amendments and interpretations of the standards will not have material effect on the Company's financial statements in the period of initial application.

Further, the following new standards have been issued by IASB which are yet to be notified by the Securities and Exchange Commission of Pakistan (SECP) for the purpose of applicability in Pakistan.

Standards or Interpretation	Effective Date (Accounting periods beginning on or after)
IFRS 1 First-time Adoption of International Financial Reporting Standards	July 1, 2009
IFRS 18 Presentation and Disclosures in Financial Statements	January 1, 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 1, 2027

4 MATERIAL ACCOUNTING POLICY INFORMATION

4.1 Property, plant and equipment

4.1.1 Initial recognition

All items of property, plant and equipment are initially recorded at cost.

Normal repairs and maintenance are charged to income as and when incurred. However, major repairs and renewals are capitalised. Gains and losses on disposals of assets, if any, are included in the statement of profit or loss in the period / year in which the disposal is made.

4.1.2 Depreciation

Depreciation is charged so as to write off the cost of assets over their estimated useful lives, using the straight line method at rates specified in Note 5 to the financial statements.

4.1.3 Disposal

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognized as other income in the statement of profit or loss. In case of the sale or retirement of a revalued items, the attributable revaluation surplus remaining in the surplus on revaluation of such item is transferred directly to the unappropriated profit.

4.2 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

4.2.1 Initial measurement of financial asset

The Company classifies its financial assets into following three categories:

- fair value through other comprehensive income (FVOCI);
- fair value through profit or loss (FVTPL); and
- at amortised cost.

A financial asset is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

Subsequent measurement

Debt Investments at

FVOCI

These assets are subsequently measured at fair value. Interest / markup income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in the statement of profit or loss. Other net gains and losses are recognised in other comprehensive income. On de-recognition, gains and losses accumulated in other comprehensive income are reclassified to the statement of profit or loss.

Equity Investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in the statement of profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in other comprehensive income and are never reclassified to the statement of profit or loss.

Subsequent measurement

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest / markup or dividend income, are recognised in the statement of profit or loss.

Financial assets at Amortized cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, if any. Interest / markup income, foreign exchange gains and losses and impairment, if any, are recognised in the statement of profit or loss.

4.2.1 Non-derivative financial assets

All non-derivative financial assets are initially recognised on trade date i.e. date on which the Company becomes party to the respective contractual provisions. Non-derivative financial assets comprise loans and receivables that are financial assets with fixed or determinable payments that are not quoted in active markets and include trade receivables, deposits, advances, other receivables and cash and cash equivalents. The Company derecognises the financial assets when the contractual rights to the cash flows from the asset expires or it transfers the right to receive the contractual cash flows in a transaction in which substantially all of the risk and rewards of ownership of the financial assets are transferred or it neither transfers nor retain substantially all of the risks and rewards of ownership and does not retain control over the transferred asset.

4.3 Impairment of non-financial assets

The carrying amount of the assets is reviewed at each balance sheet date to determine whether there is any indication of impairment loss. If such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss, if any. Impairment losses are recognised in the statement of profit or loss.

4.4 Trade debts and other receivables

Trade debts and other receivables are carried at original invoice value less an estimate made for doubtful receivables which is determined based on the management's review of outstanding amounts and previous repayment pattern. Provisions are made for balances deemed to be bad and irrecoverable.

4.5 Trade and other payables

Liabilities for trade and other amounts payable are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Company.

4.6 Staff retirement benefits

The Company operates an approved gratuity fund for all eligible employees. Annual contributions to the Fund are made on the basis of actuarial advice using the Projected Unit Credit Method.

4.7 Revenue recognition

Commission income is recognised on an accrual basis.

Other income is recognised as and when earned.

Dividend income is recognised when the Company's right to receive the dividend is established.

4.8 Taxation

Current taxation

Provision for current taxation is based on taxable income for the year determined in accordance with the prevailing laws for taxation on income. The charge for the current tax also includes adjustments where necessary, relating to prior years which arise from assessments framed during the year for such years.

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4.9 Deferred taxation

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves. Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

4.10 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purpose of statement of cash flows, cash and cash equivalents comprise of balances with banks in current and saving accounts.



Particulars	COST		Rate	DEPRECIATION		W D V
	As at January 1,2024	As at December 31,2024		As at January 1,2024	Charge for the year / (Disposal)	
	Rupees		%	Rupees		Rupees
<u>Owned</u>						
Right of use of asset	12,989,257	12,989,257	17.65%	12,610,363	378,894	12,989,257
Office equipment	1,126,377	587,536	10.67%	707,204	56,401	224,764
Computer and other equipment	1,606,004	1,197,009	33%	1,425,808	(538,841)	362,772
Furniture, Fixture and Fittings	4,165,733	196,100	10%	4,061,507	78,134	1,094,947
		(3,969,633)		(408,995)	(408,995)	102,062
		196,100		71,069	71,069	33,157
	19,887,371	14,969,902		4,061,507	(3,969,633)	162,943
	(4,917,469)			584,498		
	14,969,902	18,804,882		(4,917,469)		
		14,471,911				497,991

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	Note	December 31,2025 Rupees	December 31,2024 Rupees		
9 DUE FROM RELATED PARTY					
Due from parent company (UBL Fund Managers Limited)	9.1	-	59,107,980		
9.1 These are in the normal course of business and interest free.					
10 SHORT TERM PREPAYMENTS					
		December 31,2025	December 31,2024		
Prepaid Insurance		179,444	550,215		
Due from parent for gratuity		-	1,214,588		
Prepaid I.T. Maintenance		682,411	-		
		<u>861,855</u>	<u>1,764,803</u>		
	Note	December 31,2025 Rupees	December 31,2024 Rupees		
11 CASH AND BANK BALANCES					
Cash at bank - saving accounts	9.1	1,749	1,749		
Cash at bank - current accounts		727,783	5,217,500		
	11.2	<u>729,532</u>	<u>5,219,249</u>		
11.1 These carry mark-up up to 9.5% to 10.5% (2024: 13.5% to 20.5%) per annum.					
11.2 This represent balances amounting to Rs. 719,107 with the ultimate parent company, United Bank Limited (related party).					
12 ISSUED, SUBSCRIBED AND PAID UP CAPITAL					
		2025 Number of shares	2024 Number of shares		
		2025 Rupees	2024 Rupees		
		<u>12,060,000</u>	<u>12,060,000</u>		
		Fully paid in cash			
		<u>120,600,000</u>	<u>120,600,000</u>		
12.1 Pattern of share holding					
		December 31, 2025		December 31, 2024	
Company's shareholding as at 31 December 2025 is as under:		No. of shares	Shareholding %	No. of shares	Shareholding %
UBL Fund Managers Limited		12,059,999	100%	12,059,997	100%
Mr. Kashif Asif		1	0%	-	0%
Mr. Muhammad Zuhair Abbas		-	0%	1	0%
Mr. Mubeen Ashraf		-	0%	1	0%
Mr. Zeeshan		-	0%	1	0%
		<u>12,060,000</u>	<u>100%</u>	<u>12,060,000</u>	<u>100%</u>

		December 31,2025	December 31,2024
		Rupees	Rupees
13	DUE TO RELATED PARTY		
	Amount due to Parent Company (UBL Fund Managers Limited)	16,230,188	-
		<u>December 31,2025</u>	<u>December 31,2024</u>
		Rupees	Rupees
14	TRADE AND OTHER PAYBLE		
	Sales staff commission payable	-	23,291,460
	Auditors remuneration	250,000	250,000
	Withholding tax payable	-	1,616,854
	Staff retirement benefits - net	432,660	1,608,275
	Workers' Welfare Fund	-	3,834,945
	Other liabilities	2,187,097	2,446,585
		<u>2,869,757</u>	<u>33,048,119</u>

14.1 Staff retirement benefits

The Company operates an approved funded gratuity scheme for all its permanent employees. The benefits under the gratuity scheme are payable on retirement at the age of 60 years or earlier cessation of service in lump sum. The benefit is equal to one month's last drawn basic salary for each year of eligible service. The minimum qualifying eligible service for gratuity is 3 years for employees and executives. The latest actuarial valuation of the Company's defined benefit plan, based on Projected Unit Credit Actuarial Cost Method, was carried out as at December 31, 2025.

The Gratuity scheme exposes the Company to the following risks:

Mortality risk

The risk that the actual mortality experience is different. The effect depends on the beneficiaries' service / age distribution and the benefit.

Investment risks

The risk of the investment underperforming and not being sufficient to meet the liabilities. This is managed by formulating proper investment plan.

Risk of insufficiency of assets

This is managed by making regular contribution to the Fund as advised by the actuary.

Final salary risks

The risk that the final salary at the time of cessation of service is higher than what was assumed. Since the benefit is calculated on the final salary, the benefit amount increases similarly.

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Withdrawal risks

The risk of higher or lower withdrawal experience than assumed. The final effect could go either way depending on the beneficiaries' service / age distribution and the benefit.

14.1.1 Principal actuarial assumptions

	December 31,2025	December 31,2024
	Rupees	Rupees
Discount factor used (% per annum)	11	12.25
Expected rate of salary increase (% per annum)	17	12.25
Normal retirement age (years)	60	60
Withdrawal rates	Heavy	Heavy
	December 31,2025	December 31,2024
	Rupees	Rupees
Note		

14.1.2 The amounts recognised in the statement of financial position are determined as follows:

Present value of defined benefit obligations	14.1.4	432,660	10,347,184
Fair value of plan assets	14.1.3	-	(8,738,909)
		<u>432,660</u>	<u>1,608,275</u>

14.1.3 Plan assets consist of the following:

	2025			2024		
	Quoted	Non-Quoted	Total	Quoted	Non-Quoted	Total
	Rupees			Rupees		
Cash and cash equivalents	-	-	-	-	1,300,258	1,300,258
Debt instruments:						
Pakistan Investment Bond	-	-	-	4,830,333	-	4,830,333
Market Treasury Bills	-	-	-	-	-	-
Term Finance Certificate	-	-	-	144,467	-	144,467
Equity and other instruments						
Investment in shares	-	-	-	2,522,825	-	2,522,825
Investment in mutual funds	-	-	-	-	-	-
Other liabilities	-	-	-	-	(58,974)	(58,974)
	-	-	-	7,497,625	1,241,284	8,738,909

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14.1.4 Present value of obligation & Fair value of plan assets consist of the following:

	2025		
	Present value of obligation	Fair value of plan assets	Total
	-----Rupees-----		
At January 1	10,347,184	(8,738,909)	1,608,275
Transfer from Parent company	-	-	-
Current service cost	1,487,993	-	1,487,993
Interest expense / (income) - net	1,304,893	(1,118,940)	185,953
	13,140,070	(9,857,849)	3,282,221
Remeasurements:			
- Return on plan assets, excluding amounts included in interest expense	-	-	-
- Experience adjustment	44,209	-	44,209
			44,209
Benefit paid	(617,014)	617,014	-
Liability / Asset transferred to UBL Fund Managers Limited (Parent Company)	(12,134,605)	9,240,835	(2,893,770)
At December 31	432,660	-	432,660

	2024		
	Present value of obligation	Fair value of plan assets	Total
	-----Rupees-----		
At January 1	10,607,530	(6,000,299)	4,607,231
Transfer from Parent company	-	-	-
Current service cost	1,599,637	-	1,599,637
Interest expense / (income) - net	1,695,414	(982,510)	712,904
	13,902,581	(6,982,809)	6,919,772
Remeasurements:			
- Return on plan assets, excluding amounts included in interest expense	-	(1,732,176)	(1,732,176)
- Experience adjustment	(1,290,243)	-	(1,290,243)
	(1,290,243)	(1,732,176)	(3,022,419)
Contribution	-	(2,289,078)	(2,289,078)
Benefit payments	(2,265,154)	2,265,154	-
At December 31	10,347,184	(8,738,909)	1,608,275

**December
31,2025**

Rupees

**December
31,2024**

Rupees

14.1.5 Analysis of present value of defined benefit obligation

Split by vested / non-vested

- Vested benefits	-	10,037,738
- Non-vested benefits	432,660	309,446
	432,660	10,347,184

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	December 31,2025	December 31,2024
	Rupees	Rupees
Split by benefits earned to date		
- Present value of guaranteed benefits	282,656	10,037,738
- Present value of benefits attributable to future increase in salary	150,004	309,446
	<u>432,660</u>	<u>10,347,184</u>
14.1.6 Amount recognised in the statement of profit or loss		
Current service cost	1,487,993	1,599,637
Net interest income / cost	185,953	712,904
	<u>1,673,946</u>	<u>2,312,541</u>
14.1.7 Amount recognised in other comprehensive income		
Remeasurements:		
- Return on plan assets, excluding amounts included in interest expense	-	(1,732,176)
- Experience adjustments	44,209	(1,290,243)
	<u>44,209</u>	<u>(3,022,419)</u>
14.1.8	The plan assets and defined benefit obligations are based in Pakistan.	
14.1.9	Assumptions regarding future mortality are based on actuarial advice in accordance with the published statistics and experience in Pakistan. The rates assumed are based on the adjusted SLIC 2001 - 2005 mortality tables with one year age set back.	
14.1.10	The sensitivities of the defined benefit obligation to changes in the weighted principal assumptions are as under:	

Impact on defined benefit obligation - Increase / (decrease)		
Change in assumption	Increase in assumption	Decrease in assumption
-----Rupees-----		
Discount rate	1%	419,532
Salary increase rate	1%	444,620
		446,749
		421,319

The above sensitivity analysis is based on a change in assumptions while holding all other assumptions constant. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation is calculated using the projected unit credit method) has been applied as when calculating the gratuity liability recognised in the statement of financial position.

- 14.2.1 The weighted average duration of the defined benefit obligation is 3.14 (2024: 8.89) years.
- 14.2.2 Expected maturity analysis of undiscounted defined benefit obligation for the gratuity scheme is as follows:

At December 31, 2025	Less than a year	Between 1- 2 years	Between 2- 5 years	Over 5 years	Total
	----- Rupees -----				
Gratuity payable	-	12,865	2,143,165	3,005,306	5,161,336

- 14.2.3 Funding levels are monitored on an annual basis and are based on the actuarial recommendations. Gratuity cost (comprising the service cost and the net interest cost) for the next year works out to Rs. 1.674 million as per the actuarial valuation report of the Fund as of December 31, 2025.
- 14.2.4 The disclosure made in notes 14.1.1 to 14.2.4 is prepared using the information included in the actuarial valuation report of the Fund as of December 31, 2025

	December 31,2025	December 31,2024
	Rupees	Rupees
14.3 Workers' Welfare Fund		
Opening balance	3,834,945	1,049,177
Less: Paid during the year	(3,834,945)	-
Add: Provision made during the year	-	2,785,768
Closing balance	-	3,834,945
	December 31,2025	December 31,2024
	Rupees	Rupees
15 DEFERRED TAX LIABILITY - NET		
Taxable temporary differences		
Unrealised gain on remeasurement of investments classified as financial assets at fair value through profit or loss	167,429	1,964,463
	167,429	1,964,463
Deductible temporary differences		
Accelerated tax depreciation	764,582	(198,152)
Provision for Sindh Workers Welfare Fund	(625,960)	(1,112,134)
Defined benefit obligation - net	(125,471)	(463,790)
	13,151	(1,774,076)
Deferred tax liability / (asset)	180,580	190,387

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16 CONTINGENCIES AND COMMITMENTS

16.1 There were no contingent liabilities and commitments outstanding as at December 31,2025 (2024: None).

	December 31,2025	December 31,2024
	Rupees	Rupees
17 DISTRIBUTION COMMISSION - NET		
Distribution commission on:		
- Management fee	145,087,603	221,556,186
- Sales load	16,085,991	38,248,439
	<u>161,173,594</u>	<u>259,804,625</u>
Less : Sindh Sales Tax	25,378,306	32,330,128
	<u><u>135,795,288</u></u>	<u><u>227,474,497</u></u>

	December 31,2025	December 31,2024
	Rupees	Rupees
18 ADMINISTRATIVE EXPENSES		
Outsourced Staff Salaries	2,897,515	3,106,171
Insurance	579,821	1,468,235
Legal and professional charges	1,020,000	720,000
Repair and maintenance	161,889	550,531
Fees and subscription	914,755	235,600
Fuel Expense	67,890	
Office security expense	-	63,535
Entertainment	91,061	58,152
Staff training and development	167,350	11,795
IT related cost	136,482	823
Miscellaneous expenses	163,227	378,193
	<u>6,199,990</u>	<u>6,593,035</u>

19 SELLING AND DISTRIBUTION EXPENSE

Salaries and other benefits	24,513,415	50,476,246
Sales staff commission	18,849,044	43,437,888
Rent expense	-	923,540
Depreciation	405,652	584,498
Utilities	-	159,164
Travelling	979,638	285,445
Printing and stationery	85,419	117,005
Advertisement expenses	111,800	72,000
Communication expense	369,363	317,052
	<u>45,314,331</u>	<u>96,372,838</u>

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		December 31,2025	December 31,2024
	Note	Rupees	Rupees
20 OTHER EXPENSES			
Auditors' remuneration	20.1	608,494	452,498
Workers' Welfare Fund		-	2,785,768
		<u>608,494</u>	<u>3,238,266</u>
20.1 Auditors' remuneration			
Annual audit fee		250,000	250,000
Half yearly review fee		238,494	150,000
Other certifications		120,000	-
Out of pocket expenses		-	52,498
		<u>608,494</u>	<u>452,498</u>
		December 31,2025	December 31,2024
		Rupees	Rupees
21 OTHER INCOME			
Profit on bank deposits		-	555
Write back of Liabilities		1,742,106	-
		<u>1,742,106</u>	<u>555</u>
		December 31,2025	December 31,2024
		Rupees	Rupees
22 FINANCIAL CHARGES			
Bank charges		35,048	72,608
		<u>35,048</u>	<u>72,608</u>
23 TAXATION			
Current tax		23,122,328	38,849,334
Prior year Effect		(2,191,726)	328,382
Deferred tax (income) / expense		(9,807)	190,387
		<u>20,920,795</u>	<u>39,368,103</u>
23.1 Current status of tax assessments			
The income tax assessments up to tax year 2024 have been filed under the self assessment scheme and are deemed to be finalised under Section 120 of the Income Tax Ordinance, 2001.			
		December 31,2025	December 31,2024
		Rupees	Rupees
Effective tax rate reconciliation			
Accounting profit before taxation		109,014,972	139,213,689
Corporate tax rate		29%	29%
- Tax at applicable rate of 29% (2024: 29%)		<u>31,614,342</u>	<u>40,371,970</u>

	December 31,2025	December 31,2024
	Rupees	Rupees
- Income chargeable at lower rate	-	69,827
- Income assessed under capital gain and FTR	(6,660,060)	1,177,940
- Prior period charge	(2,191,726)	328,382
- Deferred tax (income)	(9,807)	-
- Others	(1,831,954)	(2,580,016)
	<u>20,920,795</u>	<u>39,368,103</u>
24 EARNINGS PER SHARE - BASIC AND DILUTED		
Profit for the year (Rupees)	<u>88,094,177</u>	<u>99,845,586</u>
Weighted average number of ordinary shares (Number)	<u>12,060,000</u>	<u>20,000,000</u>
Earnings per share (Rupees) - Basic and diluted	<u>7.30</u>	<u>4.99</u>

25 REMUNERATION OF CHIEF EXECUTIVE AND DIRECTOR

The aggregate amount charged in the financial statements for the remuneration to the Chief Executive Officer and Director of the Company is as follows:

Particulars	2025		For the Year Ended December 31, 2024
	Chief Executive	Total	
	(Rupees)		
Managerial remuneration	596,685	596,685	-
House rent allowance	59,669	59,669	-
Utilities allowance	-	-	-
Medical allowance	-	-	-
Provident fund	-	-	-
Others	-	-	-
Total	<u>656,354</u>	<u>656,354</u>	-
Number of persons	<u>1</u>	<u>1</u>	<u>1</u>

26 TRANSACTIONS WITH RELATED PARTIES

26.1 The related parties comprise of related group companies, staff retirement funds, collective investment and pension schemes managed by the Holding Company, directors and key management personnel and their close family members. The details of transactions with related parties (carried out at contracted dates and terms) and remuneration and benefits of key management personnel under the terms of their employment (other than those disclosed in the respective notes) are as follows:

	December 31,2025	December 31,2024
	Rupees	Rupees
Transactions with UBL Fund Managers Limited (Parent Company)		
Distribution commission (including sales tax)	<u>161,173,594</u>	<u>221,556,186</u>
Sales staff commission and salaries paid by Parent Company	<u>4,081,073</u>	-
Consultancy services	<u>250,000</u>	<u>600,000</u>
Other miscellaneous expenses Reimburse by Parent Company	<u>5,513,779</u>	-

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	December 31,2025	December 31,2024
	Rupees	Rupees
Assets transfers to related parties	319,373	-
Liabilities transfers to related parties	12,142,725	-

Transactions with Collective Investment Schemes managed by the Parent Company

Particulars	For the Year ended					
	December 31, 2025			December 31, 2024		
	Distribution Commission	Purchase of Units	Redemption of Units	Distribution Commission	Purchase of Units	Redemption of Units
	(Rupees)					
Al Ameen Islamic Cash Plan-I	-	1,678,205	3,291,726	-	1,542,473	741,626
UBL Money Market Fund	-	2,615,063	47,132	-	-	-

	December 31,2025	December 31,2024
	Rupees	Rupees

Transactions with ultimate Parent Company United Bank Limited

Bank charges	35,048	72,608
	December 31,2025	December 31,2024
	Rupees	Rupees

Balances with related parties

The details of balances due from related parties are as follows:

Trade (payable) / receivables	(16,230,188)	59,107,980
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Balances with United Bank Limited (Ultimate Parent Company)

Bank balances	719,107	5,219,249
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27 FINANCIAL INSTRUMENTS BY CATEGORY

The financial instruments of the Company are as follows:

Particulars	As at December 31, 2025		
	At Amortised Cost	At fair value through profit or loss	Total
(Rupees)			
Assets			
Non current assets			
Long term deposits	205,800	-	205,800
Current assets			
Trade and other receivables	-	272,929,247	272,929,247
Short term investments	-	-	-
Loans and advances	729,532	-	729,532
Cash and bank balances	729,532	272,929,247	273,658,779
	935,332	272,929,247	273,864,579
Current liabilities			
Due to related party	16,230,188	-	16,230,188
Trade and other payables	2,869,757	-	2,869,757

Particulars	As at December 31, 2024		
	At Amortised Cost	At fair value through profit or loss	Total
(Rupees)			
Assets			
Non current assets			
Long term deposits	5,800	-	5,800
Current assets			
Trade and other receivables	59,107,980	-	59,107,980
Short term investments	-	175,272,729	175,272,729
Loans and advances	52,771	-	52,771
Cash and bank balances	5,219,249	-	5,219,249
	<u>64,380,000</u>	<u>175,272,729</u>	<u>239,652,729</u>
	<u>64,385,800</u>	<u>175,272,729</u>	<u>239,658,529</u>
Current liabilities			
Trade and other payables	4,304,860	-	4,304,860

28 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's activities are exposed to variety of financial risks namely market risk (including currency risk, interest risk and other price risk), credit risk and liquidity risk. The Board of Directors of the Company has overall responsibility for establishment and oversight of the Company's risk management framework. The Company has established adequate procedures to manage each of these risks as explained below:

28.1 Financial risk factors

The Company's activities expose it to certain financial risks which the management monitors and manages through internal risk management on an ongoing basis. In connection with the Company's financing of operations, the finance function ensures adequate and flexible liquidity. This is guaranteed by placing deposits in cash and extremely liquid negotiable instruments and / or using available credit facilities.

Financial risks pertain to market risk, credit risk and liquidity risk. The Company seeks to minimize the risk exposures by managing financial assets and liabilities. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

28.2 Market risk

Market risk is the risk that the fair value or the future cash flows of a financial instrument may fluctuate as a result of changes in market prices (e.g. foreign exchange rates, interest rates, equity prices, etc.). The objective of the market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the returns to shareholders.

The Company's policy is to manage market risk by following the internal risk management policies and making investment within the specified limits set by the Board of Directors.

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

28.2.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Presently, the Company is not exposed to currency risk as all transactions are carried out in Pakistani Rupees.

28.2.2 Interest rate risk

Yield / interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

a) Sensitivity analysis for variable rate instruments

Presently, the Company does not hold any variable rate financial instruments.

b) Sensitivity analysis for fixed rate instruments

Presently, the Company does not hold any material fixed rate financial instruments.

The Company's exposure is as follows:

As at December 31, 2025					
Effective rate of Interest	Exposed to yield/ interest rate risk			Not exposed to yield / interest rate risk	Total
	Upto three months	More than three months and upto one year	More than one year		
------(Rupees)-----					

On-balance sheet financial instruments

Financial assets

Long-term deposits	-	-	-	205,800	205,800
Short term investments	-	-	-	272,929,247	272,929,247
Cash and bank balances	9.5% - 10.5%	-	-	729,532	729,532
		-	-	273,864,579	273,864,579

Financial liabilities

Due to related party	-	-	-	16,230,188	16,230,188
Trade and other payables	-	-	-	2,869,757	2,869,757
		-	-	19,099,945	19,099,945

On-balance sheet gap

	-	-	-	254,764,634	254,764,634
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Off-balance sheet financial instruments

	-	-	-	-	-
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Off-balance sheet gap

	-	-	-	-	-
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Total interest rate sensitivity gap

	-	-	-	254,764,634	254,764,634
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Cummulative interest rate sensitivity gap

	-	1,749	1,749		
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As at December 31, 2024					
Effective rate of Interest	Exposed to yield/ interest rate risk			Not exposed to yield / interest rate risk	Total
	Upto three months	More than three months and upto one year	More than one year		
------(Rupees)-----					

On-balance sheet financial instruments

Financial assets

Long-term deposits	-	-	-	5,800	5,800
Due from related party	-	-	-	59,107,980	59,107,980
Short term investments	-	-	-	175,272,729	175,272,729
Loans and advances	-	-	-	52,771	52,771
Cash and bank balances	13.5% - 20.5%	1,749	-	5,217,500	5,219,249
		1,749	-	239,656,780	239,658,529

2/2/24

Financial liabilities

Trade and other payables	-	-	-	4,304,860	4,304,860
	-	-	-	4,304,860	4,304,860
On-balance sheet gap	1,749	-	-	235,351,920	235,353,669
Off-balance sheet financial instruments	-	-	-	-	-
Off-balance sheet gap	-	-	-	-	-
Total interest rate sensitivity gap	1,749	-	-	235,351,920	235,353,669
Cummulative interest rate sensitivity gap	1,749	1,749	1,749		

28.2.3 Price risk

The Company does not have any financial instrument whose fair value or future cash flows will fluctuate therefore there is no price risk.

28.3 Credit risk

Credit risk is the risk that a counterparty will fail to discharge an obligation and cause the other party to incur a financial loss. Financial assets are subject to the credit risk. The Management believes that the Company's credit risk is minimal as the major portion of financial assets comprise of investments in / receivables from Funds under management of Parent Company which are financially sound. The credit risk on balances with Banks is also considered minimal as the balances are kept with sound financial institutions.

The Company's financial assets are neither past due nor impaired as at the reporting date.

Bank balances

The Company maintains its funds with banks having strong credit rating. Currently, the funds are kept with a bank having rating of A1+ (VIS Credit Rating Company Limited).

Investments in funds

The latest available ratings of the Funds in which the investments are made or from which amounts are receivable are as follows:

Fund name	Ratings	Rating agency
Al Ameen Islamic Cash Plan I	AA+(f)	VIS
UBL Money Market Fund	AA+(f)	VIS

Liquidity risk is the risk that the Company may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous. The management closely monitors the Company's liquidity and cash flow position.

The management believes that the Company is not exposed to any significant level of liquidity risk because its liabilities are supported by the financial support from the Parent Company.

The maturity profile of the Company's liability based on contractual maturities is disclosed in note 25.2.2 to these financial statements.

29 CAPITAL RISK MANAGEMENT

29.1 The Company's objectives when managing capital are:

- to safeguard the Company's ability to continue as a going concern, so that it can continue to provide returns to shareholders and benefits to other stakeholders, and
- to provide an adequate return to shareholders by pricing products and services that commensurate with the level of risk.

The Company sets the amount of capital in proportion to risk. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. Currently, the Company is financing its operations through equity which would be augmented by short term borrowing where necessary.

29.2 Capital Adequacy Level	December 31,2025	December 31,2024
	Rupees	Rupees
Total assets	293,710,231	241,921,323
Less: Total liabilities	(19,280,525)	(55,541,585)
Capital Adequacy Level	<u>274,429,706</u>	<u>186,379,738</u>

29.2.1 While determining the value of the total assets of the TREC Holder, Notional value of the TRE certificate of Pakistan Stock Exchange Limited is considered, which was determined as Nil, for UBL Financial Services (Private) Limited as at December 31, 2025 by Pakistan Stock Exchange Limited.

29.3 Liquid Capital Balance

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
1	Assets			
1.1	Property & Equipment	6,099,257	6,099,257	-
1.2	Intangible Assets	5,384,000	5,384,000	-
1.3	Investment in Govt. Securities	-	-	-
	Investment in Debt. Securities	-	-	-
	If listed than:			
	i. 5% of the balance sheet value in the case of tenure upto 1 year.	-	5.00%	-
	ii. 7.5% of the balance sheet value, in the case of tenure from 1-3 years.	-	7.50%	-
1.4	iii. 10% of the balance sheet value, in the case of tenure of more than 3 years.	-	10.00%	-
	If unlisted than:			
	i. 10% of the balance sheet value in the case of tenure upto 1 year.	-	10.00%	-
	ii. 12.5% of the balance sheet value, in the case of tenure from 1-3 years.	-	12.50%	-
	iii. 15% of the balance sheet value, in the case of tenure of more than 3 years.	-	15.00%	-
	Investment in Equity Securities			
	i. If listed 15% or VaR of each securities on the cut off date as computed by the Securities Exchange for respective securities whichever is higher. [Provided that if any of these securities are pledged with the securities exchange for maintaining Base Minimum Capital Requirement, 100% haircut on the value of eligible securities to the extent of minimum required value of Base Minimum Capital.]	272,929,247	(55,121,622)	217,807,625
	ii. If unlisted, 100% of carrying value.	-	-	-
1.6	Investment in subsidiaries	-	100.00%	-
	Investment in associated companies/undertaking			
	i. If listed 20% or VaR of each securities as computed by the Securities Exchange for respective securities whichever is higher.	-	-	-
1.7	ii. If unlisted, 100% of net value.	-	100.00%	-
	Statutory or regulatory deposits/basic deposits with the exchanges, clearing house or central depository or any other entity			
1.8	(i) 100% of net value, however any excess amount of cash deposited with securities exchange to comply with requirements of base minimum capital may be taken in the calculation of LC.	-	-	-
1.9	Margin deposits with exchange and clearing house.	200,000	-	200,000
1.10	Deposit with authorized intermediary against borrowed securities under SLB.	-	-	-
1.11	Other deposits and prepayments	867,655	867,655	-
	Accrued interest, profit or mark-up on amounts placed with financial institutions or debt securities etc. (Nil)	-	-	-
1.12	100% in respect of markup accrued on loans to directors, subsidiaries and other related parties	-	-	-
1.13	Dividends receivables.	-	-	-
	Amounts receivable against Repo financing.	-	-	-
1.14	Amount paid as purchaser under the REPO agreement. (Securities purchased under repo arrangement shall not be included in the investments.)	-	-	-

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
	Advances and receivables other than trade Receivables			
	(i) No haircut may be applied on the short term loan to employees provided these loans are secured and due for repayments within 12 months.	-	-	-
1.15	(ii) No haircut may be applied to the advance tax to the extent it is netted with provision of taxation .	7,500,540	7,500,540	-
	(iii) In all other cases 100% of net value	-	-	-
	Receivables from clearing house or securities exchange(s)			
1.16	100% value of claims other than those on account of entitlements against trading of securities in all markets including MtM gains.	-	-	-
1.17	Receivables from customers			
	i. In case receivables are against margin financing, the aggregate of (i) value of securities held in the blocked account after applying VAR based Haircut, (ii) cash deposited as collateral by the financee (iii) market value of any securities deposited as collateral after applying VaR based haircut.	-	-	-
	<i>i. Lower of net balance sheet value or value determined through adjustments.</i>			
	ii. In case receivables are against margin trading, 5% of the net balance sheet value.	-	-	-
	<i>ii. Net amount after deducting haircut</i>	-	-	-
	iii. In case receivables are against securities borrowings under SLB, the amount paid to NCCPL as collateral upon entering into contract,	-	-	-
	<i>iii. Net amount after deducting haircut</i>	-	-	-
	iv. In case of other trade receivables not more than 5 days overdue, 0% of the net balance sheet value.	-	-	-
	<i>iv. Balance sheet value</i>	-	-	-
	v. In case of other trade receivables are overdue, or 5 days or more, the aggregate of (i) the market value of securities purchased for customers and held in sub-accounts after applying VAR based haircuts, (ii) cash deposited as collateral by the respective customer and (iii) the market value of securities held as collateral after applying VaR based haircuts.	-	-	-
	<i>v. Lower of net balance sheet value or value determined through adjustments</i>	-	-	-
	<i>vi. In the case of amount of receivable from related parties, values determined after applying applicable haircuts on underlying securities readily available in respective CDS account of the related party in the following manner: (i). Up to 30 days, values determined after applying VaR based haircuts (ii). Above 30 days but upto 90 days, values determined after applying 50% or VaR based haircuts whichever is higher (iii). Above 90 days, 100% haircut shall be applicable.vi. Lower of net balance sheet value or value determined through adjustments</i>	-	-	-
	Cash and Bank balances			
1.18	I. Bank Balance-proprietary accounts	729,107	-	729,107
	ii. Bank balance-customer accounts	425	-	425
	iii. Cash in hand	-	-	-
	Subscription money against investment in IPO / offer for sale (asset)			
	(i) No haircut may be applied in respect of amount paid as subscription money provided that shares have not been allotted or are not included in the investments of securities broker.	-	-	-
1.19	(ii) In case of Investment in IPO where shares have been allotted but not yet credited in CDS Account, 25% haircuts will be applicable on the value of such securities.	-	-	-
	(iii) In case of subscription in right shares where the shares have not yet been credited in CDS account, 15% or VAR based haircut whichever is higher, will be applied on Right Shares.	-	-	-
1.20	Total Assets	293,710,231	-	218,737,157

LSC

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
2	Liabilities			
	Trade Payables			
2.1	i. Payable to exchanges and clearing house	-	-	-
	ii. Payable against leveraged market products	-	-	-
	iii. Payable to customers	-	-	-
	Current Liabilities			
	i. Statutory and regulatory dues	2,187,097	-	2,187,097
	ii. Accruals and other payables	250,000	-	250,000
	iii. Short-term borrowings	-	-	-
2.2	iv. Current portion of subordinated loans	-	-	-
	v. Current portion of long term liabilities	-	-	-
	vi. Deferred Liabilities	180,580	-	180,580
	vii. Provision for taxation	-	-	-
	viii. Other liabilities as per accounting principles and included in the financial statements	16,230,188	-	16,230,188
	Non-Current Liabilities			
	i. Long-Term financing	-	-	-
	a. Long-Term financing obtained from financial institution: Long term portion of financing obtained from a financial institution including amount due against finance lease	-	-	-
2.3	ii. Other long-term financing	-	-	-
	iii. Staff retirement benefits	432,660	-	432,660
	Note: (a) 100% haircut may be allowed against long term portion of financing obtained from a financial institution including amount due against finance leases. (b) Null in all other cases	-	-	-
	Subordinated Loans			
	i. 100% of Subordinated loans which fulfill the conditions specified by SECP are allowed to be deducted: The Schedule III provides that 100% haircut will be allowed against subordinated Loans which fulfill the conditions specified by SECP. In this regard, following conditions are specified:			
2.4	a. Loan agreement must be executed on stamp paper and must clearly reflect the amount to be repaid after 12 months of reporting period	-	-	-
	b. No haircut will be allowed against short term portion which is repayable within next 12 months.			
	c. In case of early repayment of loan, adjustment shall be made to the Liquid Capital and revised Liquid Capital statement must be submitted to exchange.			
	ii. Subordinated loans which do not fulfill the conditions specified by SECP	-	-	-
	Advance against shares for Increase in Capital of Securities broker			
	100% haircut may be allowed in respect of advance against shares if:			
2.5	a. The existing authorized share capital allows the proposed enhanced share capital	-	-	-
	b. Board of Directors of the company has approved the increase in capital			
	c. Relevant Regulatory approvals have been obtained	-	-	-
	d. There is no unreasonable delay in issue of shares against advance and all regulatory requirements relating to the increase in paid up capital have been completed.			
	e. Auditor is satisfied that such advance is against the increase of capital.			
2.6	Total Liabilities	19,280,525		19,280,525

S. No.	Head of Account	Value in Pak Rupees	Hair Cut / Adjustments	Net Adjusted Value
3	Ranking Liabilities Relating to:			
	Concentration in Margin Financing			
3.1	The amount calculated client-to-client basis by which any amount receivable from any of the financees exceed 10% of the aggregate of amounts receivable from total financees.	-	-	-
	Concentration in securities lending and borrowing			
	The amount by which the aggregate of:			
3.2	(i) Amount deposited by the borrower with NCCPL	-	-	-
	(ii) Cash margins paid and	-	-	-
	(iii) The market value of securities pledged as margins exceed the 110% of the market value of shares borrowed	-	-	-
	Net underwriting Commitments			
	<u>(a) in the case of right issue</u> : if the market value of securities is less than or equal to the subscription price; the aggregate of:			
3.3	(i) the 50% of Haircut multiplied by the underwriting commitments and	-	-	-
	(ii) the value by which the underwriting commitments exceeds the market price of the securities. In the case of rights issue where the market price of securities is greater than the subscription price, 5% of the Haircut multiplied by the net underwriting	-	-	-
	<u>(b) in any other case</u> : 12.5% of the net underwriting commitments	-	-	-
	Negative equity of subsidiary			
3.4	The amount by which the total assets of the subsidiary (excluding any amount due from the subsidiary) exceed the total liabilities of the subsidiary	-	-	-
	Foreign exchange agreements and foreign currency positions			
3.5	5% of the net position in foreign currency. Net position in foreign currency means the difference of total assets denominated in foreign currency less total liabilities denominated in foreign currency	-	-	-
3.6	Amount Payable under REPO			
	Repo adjustment			
	In the case of financier/purchaser the total amount receivable under Repo less the 110% of the market value of underlying securities.	-	-	-
3.7	In the case of financee/seller the market value of underlying securities after applying haircut less the total amount received, less value of any securities deposited as collateral by the purchaser after applying haircut less any cash deposited by the purchaser.	-	-	-
	Concentrated proprietary positions			
3.8	If the market value of any security is between 25% and 51% of the total proprietary positions then 5% of the value of such security. If the market of a security exceeds 51% of the proprietary position, then 10% of the value of such security	27,292,925	27,292,925	27,292,925
	Opening Positions in futures and options			
	i. In case of customer positions, the total margin requirements in respect of open positions less the amount of cash deposited by the customer and the value of securities held as collateral/pledged with securities exchange after applying VaR haircuts	-	-	-
3.9	ii. In case of proprietary positions, the total margin requirements in respect of open positions to the extent not already met	-	-	-
	Short sell positions			
	i. In case of customer positions, the market value of shares sold short in ready market on behalf of customers after increasing the same with the VaR based haircuts less the cash deposited by the customer as collateral and the value of securities held as collateral after applying VaR based Haircuts	-	-	-
3.10	ii. In case of proprietary positions, the market value of shares sold short in ready market and not yet settled increased by the amount of VaR based haircut less the value of securities pledged as collateral after applying haircuts.	-	-	-
3.11	Total Ranking Liabilities	27,292,925		27,292,925
		247,136,781	Liquid Capital	179,664,247

Calculations Summary of Liquid Capital

(i) Adjusted value of Assets (serial number 1.20)	293,710,231
(ii) Less: Adjusted value of liabilities (serial number 2.6)	(19,280,525)
(iii) Less: Total ranking liabilities (series number 3.11)	(27,292,925)
	<u>247,136,781</u>

30 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

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 can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at the reporting date, the Company held the following financial instruments measured at fair value:

		Fair Value			
		Level 1	Level 2	Level 3	Total
		----- Rupees in 000's-----			
December 31, 2025					
Financial assets measured at fair value					
Investments	-	272,929,247	-	272,929,247	
December 31, 2024					
Financial assets measured at fair value					
Investments	-	175,272,729	-	175,272,729	

30.1 Valuation techniques used in determination of fair values within level 2

Fair values of investment in mutual funds are measured on the basis of closing net asset value as announced by the respective Asset Management Company.

30.2 DEFINED CONTRIBUTION PLAN

The Company has contributory provident fund scheme for the benefit of all its permanent employees under the title of "UBL Fund Managers Limited and Associated Companies - Employees' Provident Fund". The Fund is maintained by the Trustees and all decisions regarding investments and distribution of income etc. are made by the Trustees independent of the Company.

	2025	2024	2025	2024
	Rupees		Percentage	
Equity shares	11,245,879	4,661,545	29%	27%
Units in mutual funds	-	-	0%	11%
Term Finance Certificates	300,479	299,580	2%	1%
Government securities	6,473,350	11,171,300	69%	61%
	<u>18,019,708</u>	<u>25,531,625</u>	<u>100%</u>	<u>100%</u>

31 NUMBER OF EMPLOYEES

	December 31,2025	December 31,2024
As at December 31	26	26
Average number of employees during the year	15	26
Number of employees as at year end	4	26
Average number of employees during the year	15	26

32 DATE OF AUTHORIZATION FOR ISSUE

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

33 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of comparison and better presentation.

34 GENERAL

Figures in these financial statements have been rounded off to the nearest rupee.

CHIEF EXECUTIVE

DIRECTOR