



FINANCIAL STATEMENTS
OF
NBP EXCHANGE
COMPANY LIMITED
FOR THE YEAR ENDED
DECEMBER 31, 2025

BDO Ebrahim & Co. Chartered Accountants

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NBP EXCHANGE COMPANY LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of NBP Exchange Company Limited (the Company), which comprise the statement of financial position as at December 31, 2025, and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a 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 and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at December 31, 2025 and of the profit and other comprehensive income, the changes in equity and its cash flows and 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 Auditors' 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 Auditors' Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditors' 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 is responsible for overseeing the Company's financial reporting process.

Auditors' 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 auditors' 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 auditors' 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 auditors' 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 and other comprehensive income, the statement of cash flows and the statement of changes in equity together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The Engagement partner on this audit Zulfiqar Causer.

KARACHI

DATED: 19 MAY 2026

UDIN: AR202510067mODnTWqE6

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REVIEW REPORT TO THE MEMBERS ON THE STATEMENT OF COMPLIANCE WITH THE PUBLIC SECTOR COMPANIES (CORPORATE GOVERNANCE) RULES, 2013

We have reviewed the enclosed Statement of Compliance with the best practices contained in the Public Sector Companies (Corporate Governance) Rules, 2013 (the Rules) prepared by the Board of Directors of NBP Exchange Limited (the Company) for the year ended December 31, 2025.

The responsibility for compliance with the Rules is that of the Board of Directors of the Company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Rules and report if it does not and to highlight any non-compliance with the requirements of the Rules. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Rules.

As a part of our audit of the financial statements, we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Rules requires the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval its related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price and recording proper justification for using such alternate pricing mechanism. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out any procedures to determine whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the best practices contained in the Rules as applicable to the Company for the year ended December 31, 2025.

KARACHI

DATED: MAY 19, 2026

UDIN: CR202510067ysGoht59z

BDO EBRAHIM & CO.

Chartered Accountants

Engagement Partner: Zulfikar Ali Causer

BDO Ebrahim & Co. Chartered Accountants

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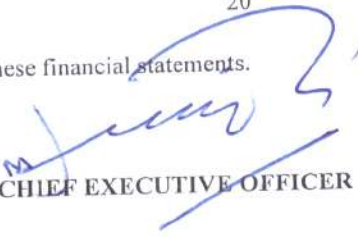
NBP EXCHANGE COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2025

| | Note | 2025 ----- (Rupees) ----- | 2024 ----- |
|-------------------------------------------|------|------------------------------|----------------------|
| ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| Property and equipment | 6 | 54,377,626 | 61,060,341 |
| Right of use assets | 7 | 96,464,233 | 104,901,110 |
| Intangible assets | 8 | 468,976 | 748,552 |
| Long-term deposits | 9 | 24,660,549 | 24,453,785 |
| Deferred taxation-net | 10 | 2,044,396 | 743,875 |
| | | <u>178,015,780</u> | <u>191,907,663</u> |
| CURRENT ASSETS | | | |
| Short-term investments | 12 | 54,472,805 | 59,594,734 |
| Prepayments and other receivables | 13 | 18,021,866 | 5,728,143 |
| Accrued mark-up | | 18,342,212 | 29,824,553 |
| Taxation - net | 11 | 77,803,559 | 34,857,977 |
| Trade debts | 14 | 782,009,413 | 674,010,341 |
| Cash and bank balances | 15 | 1,381,455,583 | 1,509,494,807 |
| | | <u>2,332,105,438</u> | <u>2,313,510,555</u> |
| | | <u>2,510,121,218</u> | <u>2,505,418,218</u> |
| TOTAL ASSETS | | | |
| EQUITY AND LIABILITIES | | | |
| SHARE CAPITAL AND RESERVES | | | |
| Authorized share capital | | | |
| Ordinary share of Rs. 10/- each | 16.1 | <u>2,000,000,000</u> | <u>2,000,000,000</u> |
| Paid-up capital and unappropriated profit | | | |
| Ordinary share of Rs. 10/- each | 16.2 | 1,750,000,000 | 1,750,000,000 |
| Revenue Reserve | | 556,289,110 | 498,834,554 |
| Unappropriated profit | | 2,306,289,110 | 2,248,834,554 |
| NON-CURRENT LIABILITIES | | | |
| Long term deposits | 17 | 42,115,200 | 90,568,725 |
| Lease liabilities | 18 | 62,062,824 | 89,981,754 |
| | | <u>104,178,024</u> | <u>180,550,479</u> |
| CURRENT LIABILITIES | | | |
| Current portion of lease liabilities | 18 | 45,913,661 | 26,983,798 |
| Trade and other payables | 19 | 53,740,423 | 49,049,387 |
| | | 99,654,084 | 76,033,185 |
| Total Liabilities | | <u>203,832,108</u> | <u>256,583,664</u> |
| | | <u>2,510,121,218</u> | <u>2,505,418,218</u> |
| TOTAL EQUITY AND LIABILITIES | | | |

CONTINGENCIES AND COMMITMENTS

The annexed notes from 1 to 38 form an integral part of these financial statements.


CHIEF FINANCIAL OFFICER

20

CHIEF EXECUTIVE OFFICER


DIRECTOR

NBP EXCHANGE COMPANY LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2025

| | Note | 2025 ----- (Rupees) ----- | 2024 ----- |
|-----------------------------------------|------|------------------------------|---------------|
| Revenue | | | |
| - Income from exchange operation | 21 | 285,216,385 | 344,163,541 |
| - Fee income | 22 | 29,023,531 | 38,014,502 |
| | | 314,239,916 | 382,178,043 |
| Administrative expenses | 23 | (348,727,178) | (294,044,068) |
| Operating (loss)/profit | | (34,487,262) | 88,133,975 |
| Finance cost | 24 | (26,193,289) | (26,261,687) |
| Other income | 25 | 139,368,300 | 159,626,529 |
| Other expense | 26 | (561,452) | (6,854,574) |
| Profit before taxation | | 78,126,297 | 214,644,243 |
| Taxation | 27 | (20,671,741) | (68,242,391) |
| Profit for the year | | 57,454,556 | 146,401,852 |
| Other comprehensive income | | - | - |
| Total comprehensive income for the year | | 57,454,556 | 146,401,852 |
| Earnings per share - basic and diluted | 28 | 0.328 | 0.837 |

The annexed notes from 1 to 38 form an integral part of these financial statements.


CHIEF FINANCIAL OFFICER


CHIEF EXECUTIVE OFFICER


DIRECTOR

**NBP EXCHANGE COMPANY LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2025**

| | Ordinary share capital | Revenue reserve Unappropriated profit | Total shareholder's equity |
|----------------------------------------|-----------------------------|------------------------------------------|-----------------------------|
| | ----- (Rupees) ----- | | |
| Balance as at January 1, 2024 | 1,750,000,000 | 352,432,702 | 2,102,432,702 |
| Total comprehensive income | - | 146,401,852 | 146,401,852 |
| Balance as at December 31, 2024 | <u>1,750,000,000</u> | <u>498,834,554</u> | <u>2,248,834,554</u> |
| Total comprehensive income | - | 57,454,556 | 57,454,556 |
| Balance as at December 31, 2025 | <u><u>1,750,000,000</u></u> | <u><u>556,289,110</u></u> | <u><u>2,306,289,110</u></u> |

The annexed notes from 1 to 38 form an integral part of these financial statements.

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE OFFICER

DIRECTOR


NBP EXCHANGE COMPANY LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2025

| | | 2025 | 2024 |
|-----------------------------------------------------------------------------|------|-----------------------------|-----------------------------|
| | Note | (Rupees) | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Profit before taxation | | 78,126,297 | 214,644,243 |
| Adjustment for non cash items: | | | |
| Depreciation on property and equipment | 6.1 | 15,306,168 | 12,163,221 |
| Depreciation on right of use asset | 7.1 | 37,315,969 | 32,160,689 |
| Amortization on intangible assets | 8.1 | 279,576 | 443,100 |
| Gain on disposal of property and equipment | 25 | - | (24,177) |
| Interest income on TBILLS | | (32,706,820) | (61,684,819) |
| Exchange loss on long term deposit - WU | | 422,773 | (527,147) |
| Exchange gain on long term deposit - RIA | | (104,854) | - |
| Interest income on deposit accounts | 25 | (25,668,926) | (90,555,255) |
| Finance cost on lease liabilities | 24 | 9,811,624 | 9,967,286 |
| | | <u>4,655,510</u> | <u>(98,057,102)</u> |
| Net cash generated from operating activities before working capital changes | | 82,781,807 | 116,587,141 |
| Increase in Current Assets | | | |
| Trade debts | | (107,999,072) | (269,450,721) |
| Prepayments and other receivables | | (12,293,723) | (427,595) |
| (Decrease)/Increase in Current Liabilities | | | |
| Trade and other payables | | (44,185,262) | 50,960,956 |
| Net Cash (used in)operations | | <u>(81,696,250)</u> | <u>(102,330,219)</u> |
| Long-term deposits - net | | (101,910) | 33,424 |
| Income taxes paid | 11 | (64,917,844) | (132,127,067) |
| Net cash used in operating activities | | <u>(146,716,004)</u> | <u>(234,423,862)</u> |
| CASH FLOW FROM INVESTING ACTIVITIES | | | |
| Purchase of property and equipment | 6.1 | (8,860,143) | (4,866,414) |
| Capital expenditure incurred for capital work-in-progress | 5.2 | - | (19,521,161) |
| Proceeds from sale of property and equipment | | 123,000 | 100,073 |
| Proceeds from maturity of TBILLS | | 340,690,000 | 545,875,000 |
| Mark-up / interest income received | | 37,151,267 | 142,534,499 |
| Purchase of TBILLS | | (302,861,250) | (382,676,743) |
| Net cash generated from investing activities | | <u>66,242,874</u> | <u>281,445,254</u> |
| CASH FLOW FROM FINANCING ACTIVITIES | | | |
| Repayment of lease liability | | (47,566,094) | (40,441,531) |
| Net (decrease)/increase in cash and cash equivalents | | (128,039,224) | 6,579,861 |
| Cash and cash equivalents at beginning of the year | | <u>1,509,494,807</u> | <u>1,502,914,946</u> |
| Cash and cash equivalents at end of the year | 15 | <u><u>1,381,455,583</u></u> | <u><u>1,509,494,807</u></u> |

The annexed notes from 1 to 38 form an integral part of these financial statements.


CHIEF FINANCIAL OFFICER


CHIEF EXECUTIVE OFFICER


DIRECTOR

NBP EXCHANGE COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 NBP Exchange Company Limited (the Company) was incorporated on September 24, 2002 as an unlisted public limited company under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). The Company obtained license for commencement of operations from the State Bank of Pakistan (SBP) on November 25, 2002 and commencement of business certificate on December 26, 2003 from the Securities and Exchange Commission of Pakistan (SECP). The Company was formed under the Foreign Exchange Regulation Act, 1947, as amended by SBP through F.E. Circular No. 9 dated July 30, 2002. The registered office of the Company (head office) is situated at Shaheen Complex, M.R. Kiyani Road, Karachi and the Company has a head office, 24 branches and 22 currency exchange/payment booths (2024: 22 branches and 23 currency exchange/payment booth) across the Country. The geographical location and addresses are mentioned in note 33.
- 1.2 The Company operates as an exchange company under category "A" and is engaged in the business of dealing in foreign exchange and currency export operations, managing inward remittances through National Bank of Pakistan NBP (Inward), Western Union and RIA Financials (Inward), and outward remittances through Western Union, Telegraphic Transfer and collection of utilities bills through M/s One Link and UBL OMNI.
- 1.3 The Company is a wholly owned subsidiary of National Bank of Pakistan (the holding company).

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. Accounting and reporting standards applicable in Pakistan comprise of:

- IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of, directives and notifications issued under the Companies Act, 2017.

Where provisions of, directives and notifications issued under the Companies Act, 2017 differ from the IFRS Accounting Standards, the provisions of, directives and notifications 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 unless otherwise stated.

2.3 Functional and presentation currency

These financial statements are presented in Pakistani Rupees ("Rs" or "Rupees"), which is the functional currency of the Company. All amounts have been rounded to the nearest rupee, unless otherwise indicated.

3 APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS

3.1 Standards, interpretations of and amendments to published approved accounting standards that are effective in current year

The following standards, amendments and interpretations are effective for the year ended December 31, 2025. These standards, amendments and interpretations are either not relevant to the Company's operations or did not have significant impact on the financial statements other than certain additional disclosures.

| | Effective from accounting period beginning on or after: |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------|
| 3.2 Standards / Amendments / Interpretation | |
| Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial | January 01, 2026 |
| Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments. | January 01, 2026 |
| Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs). | January 01, 2026 |
| Amendments to IFRS 9 'Financial Instruments' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs) | January 01, 2026 |
| Amendments to IFRS 9 'Financial Instruments' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs) | January 01, 2026 |
| IFRS 17 Insurance Contracts | January 01, 2027 |
| IFRS 18 'Presentation and Disclosures in Financial Statements' | January 01, 2027 |

Certain annual improvements have also been made to a number of IFRSs and IASs.

IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP).

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2027.

IFRS 18 'Presentation and Disclosures in Financial Statements' has been issued by IASB effective from January 01,2027. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP).

4 ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements in conformity with approved accounting standards as applicable in Pakistan, requires the management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses.

Estimates and judgments, if any, 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 areas where various assumptions and estimates are significant to the financial statements or where judgment was exercised in application of accounting policies are as follows:

- Classification and impairment of investment (note 5.6.5 and 12)
- Depreciation rates of property, plant, right of use assets and equipment and intangible assets (note 6,7 and 8)
- Provision for current and deferred tax (note 5.12, 11 and 27)
- Classification of impairment of trade debts (note 5.8 and 14)
- Contingencies (note 20)
- Leases (note 7.2)

5 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the presentation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless stated otherwise.

5.1 Right of use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right of use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated on a straight line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

5.2 Leases

The Company recognized leases as a right of use asset and corresponding liability at the date at which the leased asset is available for use by the Company. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant period rate of interest on the remaining balance of the liability for each period. The right-of use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight line basis.

5.3 Property and equipment

Property and equipment are stated at cost less accumulated depreciation and impairment, if any. The cost of property and equipment are depreciated over their estimated useful lives using straight line method at the rates specified in note 6.1. Depreciation on additions is charged from the month in which the item of property and equipment is available for use and no depreciation is charged in the month of disposal.

Subsequent costs are included in the property and equipment's carrying amount or recognized as a separate item of property and equipment, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to statement of profit or loss during the financial year in which they are incurred.

Item of property and equipment is derecognized when disposed off or when no future economic benefits are expected from its use or disposal. Gains or losses on disposal of property and equipment, if any, are recognized in statement of profit or loss as and when incurred.

Assets' residual values, if significant and their useful lives are reviewed at each financial position date and adjusted prospectively, if appropriate.

5.4 Intangible asset

Intangible assets are stated at cost less accumulated amortization and any impairment losses. Amortization is charged over the estimated useful life of the asset on a systematic basis applying the straight line method at the rates specified in note 8 to the financial statements. The estimate of useful life and amortization method are reviewed at the end of each financial year with the effect of any changes in estimate being accounted for prospectively.

The amortization is charged from the month in which asset is available for use while no amortization is charged for the month in which that asset is disposed off.

5.5 Cash and cash equivalents

Cash in hand and at banks is carried at cost. For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and bank balances.

5.6 Financial instruments

All financial assets and financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instruments. Financial asset is derecognized when the Company loses control of the contractual rights that comprise the financial assets or portion of financial assets, while a financial liability or part of financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expired. Any gain or loss on derecognition of the financial assets and liabilities is taken to the statement of profit or loss currently.

5.6.1 Financial Instruments - Initial recognition and subsequent measurement

All financial assets and liabilities are initially measured at cost which is the fair value of the consideration given or received. These are subsequently measured at fair value, amortized cost as the case may be.

5.6.2 Classification of financial assets

The Company classifies its financial instruments in the following categories:

- at fair value through profit or loss ("FVPL")
- at fair value through other comprehensive income ("FVOCI"), or
- at amortized cost.

The Company determines the classifications of financial assets at initial recognition. The classification of instruments (other than equity instruments) is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics.

Financial assets that meet the following conditions are subsequently measured at amortized cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial assets give rise on specified date to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at FVOCI:

- the financial asset is held within a business model whose objective achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial assets give rise on specified date to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are subsequently measured at FVPL.

5.6.3 Classification of financial liabilities

From January 01, 2019, the Company classifies its financial liabilities in the following categories:

- at fair value through profit or loss ("FVPL"), or
- at amortized cost

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVPL (such as instrument held for trading or derivatives) or the Company has opted to measure them at FVPL.

5.6.4 Subsequent measurement

i) Financial assets at FVOCI

Elected investments in equity instruments at FVOCI are initially recognized at fair value plus transaction costs. Subsequently, they are measured at fair value, with gains or losses arising from changes in fair value recognized in other comprehensive income/(loss).

ii) Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value, and subsequently carried at amortized cost, and in the case of financial assets, less any impairment.

Financial assets and liabilities carried at FVPL are initially recorded at fair value and transaction costs are expensed in the statement of profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of financial assets and liabilities held at FVPL are included in the statement of profit or loss in the period in which they arise.

Where the management has opted to recognize a financial liability at FVPL, any changes associated with the Company's own credit risk will be recognized in other comprehensive income/(loss). Currently, there are no financial liabilities designated at FVPL.

5.6.5 Impairment of financial assets

From January 01, 2019, the Company have assessed on a forward looking basis, the expected credit losses associated with the debt instruments carried at amortized cost and FVOCI at an amount equal to life time ECLs except for the financial assets in which there is no significant increase in credit risk since initial recognition or financial assets which are determine to have low credit risk at the reporting date, in which case twelve months' ECL is recorded. The following were either determine to have low or there was no credit risk since initial recognition and at the reporting date:

- bank balances;
- long term deposits and advances;
- trade deposits; and
- other receivables.

Loss allowance for trade receivables are always measured at an amount equal to life time ECLs.

Life time ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. Twelve months ECLs are portion of ECL that result from default events that are possible within twelve months after the reporting date. ECLs are a probability weighted estimate of credit losses. Credit losses are measured at the present value of all cash short falls (i.e. the difference between cash flows due to the entity in accordance with the contract and cash flows that the company expects to receive).

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectation of recovering a financial asset in entirety or a portion thereof.

5.6.6 Derecognition

Financial assets

Financial assets are derecognized only when the contractual rights to cash flows from the financial assets expire or when it transfer the financial assets and substantially all the associated risks and reward of ownership to another entity. On derecognition of financial assets measured at amortized cost, the difference between the assets carrying value and the sum of the consideration received and receivable recognized in statement of profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve reclassified to statement of profit or loss. In contrast, on derecognition of an investment in equity instrument which the Company has elected on initial recognition to measure at FVOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to statement of profit or loss, but is transferred to statement of changes in equity.

Financial liabilities

Financial liabilities are derecognized only when its obligations under the financial liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liabilities derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in statement of profit or loss.

5.6.7 Off setting of financial assets and liabilities

A financial asset and a financial liability is offset and the net amount reported in the statement of financial position if the Company has a legally enforceable right to set off the transaction and also intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

5.7 Impairment of non-financial assets

The Company assesses at each reporting date whether there is any indication that assets except deferred tax assets may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying values exceed the respective recoverable amount, assets are written down to their recoverable amounts and the resulting impairment loss is recognized in the statement of profit or loss. The recoverable amount is higher of an asset's fair value less costs to sell and value in use.

5.8 Trade debts

Trade debts are classified at amortized cost and are initially recognized when they are originated and measured at fair value of consideration receivable. These assets are written off when there is no reasonable expectation of recovery. Actual credit loss experience over past years is used to base the calculation of expected credit loss (ECL).

5.9 Trade and other payables

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

5.10 Deposits

Deposits are initially recorded at the amount of proceeds received. Mark-up on deposits is accrued on a time proportion basis.

5.11 Transactions with related parties

Transactions in relation to sales, purchases and services with related parties are made at arm's length prices for which the pricing mechanism is subject to approval of the Board of Directors.

5.12 Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognized in statement of profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity, in which case it is also recognized in other comprehensive income or directly in equity respectively.

The Institute of Chartered Accountants of Pakistan has issued IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes and defined two approaches for bifurcation of tax between current and minimum taxes. The Company has adopted an approach to account for current tax calculated on taxable income using the notified tax rate as an income tax and minimum tax any amount over the current tax calculated on taxable income is accounted for as excess over the current tax and is recognised as a levy as per IFRIC 21/IAS37.

a) Current

Current tax is the expected tax payable on the taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using tax rates enacted or substantively enacted at the reporting date after taking into account tax credits and tax rebates. The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments framed during the year for such years.

b) Deferred

Deferred tax is accounted for using the Balance Sheet liability method on all temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profit will be available in future years to utilize deductible temporary differences, unused tax losses and tax credits. Deferred tax is not recognized on temporary differences arising from the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

The carrying amount of deferred tax asset is reviewed at each statement of financial position date and reduced to the extent that is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

5.13 Levy

The 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, which is not adjustable against the future tax liability, is classified as levy in the statement of profit or loss as these levies fall under the scope of IFRIC 12 / IAS 37.

5.14 Revenue

Income from exchange operation

Income from exchange operation are the difference between the cost and selling price of foreign currency, including wire transmission. Income from exchange is recognized at the time of each transfer occurs on transfer date basis or/and the end of each reporting period when revaluation of foreign exchange position takes place.

Fee income

Fee income includes fee collected on wire transfer and currency exchange transfers. Fee income is recognized at the time the transaction occurs on trade date basis.

Mark-up / interest income

Mark-up / interest income is accrued on a time proportion basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Income on Inward / outward remittances

Commission income on inward and outward remittance through Western Union is recognized when remittance is paid to customer or received from customer on behalf of Western Union.

Telegraphic transfer (TT) / Demand Draft

Income on TT / DD is recognized when transaction is entered into with the customer.

Fee on collection of utilities bills.

Income on utilities bills is recognized when transaction is entered into with the customer.

Unrealized gains / (losses) arising on revaluation of investments.

Unrealized gains / (losses) arising on revaluation of investments classified as fair value through profit or loss are included in the profit and loss account in the year in which they arise.

Dividend income.

Dividend income is recognized when right to receive the dividend is established.

Other income.

Other income is recognized as and when incurred.

5.15 Foreign currencies

Transactions in currencies other than Pakistani Rupees are recorded at the rates of exchange prevailing on the dates of the transactions. At each financial position date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the financial position date. Gains and losses on translation are taken to statement of profit and loss.

5.16 Provident fund

An approved funded provident fund scheme is maintained for all eligible employees of the Company. Equal monthly contributions are made, both by the Company and its employees, to the fund at the rate of 8.33 percent of basic salaries of employees. Obligations for contributions to the fund are recognized as an employee benefit expense in statement of profit and loss when they are due.

5.17 Compensated absences

Leave encashment will be paid up to maximum of 45 days of basic salary at the time of leaving company service or retirement. No leave encashment will be allowed during the service. A provision of 50% of unvested leaves is recognized at the financial position date.

5.18 Earnings per share

Earnings per share is calculated by dividing the profit/loss after tax for the year by the weighted average number of shares outstanding during the year.

5.19 Related party transactions

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

Note 2025 2024
 ----- (Rupees) -----

PROPERTY AND EQUIPMENT

Property and Equipment - at net book value

61 54,377,626 61,060,341

Property and Equipment - at net book value

| | OWNED | | | | | | Total |
|--------------------------|------------------------|-----------------------------------|------------------|------------|------------------------|-----------|-------------|
| | Leaschold improvements | Electrical, fitting and equipment | Office Equipment | Computers | Furniture and fixtures | Vehicles | |
| Cost | | | | | | | |
| As at January 01, 2025 | 32,407,769 | 26,654,470 | 4,369,389 | 32,190,813 | 17,222,250 | 2,911,050 | 115,755,721 |
| Additions | 661,709 | 2,572,947 | 54,850 | 4,982,977 | 587,660 | - | 8,860,143 |
| Disposal | - | (496,542) | - | (37,650) | (21,500) | - | (855,692) |
| As at December 31, 2025 | 33,069,478 | 28,750,875 | 4,424,239 | 37,136,140 | 17,788,390 | 2,911,050 | 124,060,172 |
| Accumulated depreciation | | | | | | | |
| As at January 01, 2025 | 13,924,948 | 10,437,354 | 2,548,730 | 17,206,332 | 8,346,188 | 2,251,828 | 54,695,380 |
| Charge for the year | 2,545,000 | 2,448,190 | 497,482 | 7,916,675 | 1,516,623 | 582,212 | 15,306,175 |
| Disposal | - | (266,278) | - | (37,650) | (15,086) | - | (315,014) |
| As at December 31, 2025 | 16,469,948 | 12,619,266 | 3,046,212 | 25,085,357 | 9,647,725 | 2,814,040 | 69,682,553 |
| Net book value | 16,599,530 | 16,111,610 | 1,378,027 | 12,050,783 | 8,140,665 | 97,010 | 54,377,626 |

| | OWNED | | | | | Total |
|--------------------------|------------------------|-----------------------------------|------------------|------------|------------------------|-------------|
| | Leaschold improvements | Electrical, fitting and equipment | Office Equipment | Computers | Furniture and fixtures | |
| Cost | | | | | | |
| As at January 01, 2024 | 30,591,964 | 19,502,827 | 5,959,189 | 20,177,116 | 14,850,210 | 91,992,356 |
| -Additions | 1,815,805 | 7,450,323 | 450,700 | 12,358,727 | 2,372,030 | 24,387,375 |
| Disposal | - | (278,680) | (20,500) | (325,050) | - | (624,210) |
| As at December 31, 2024 | 32,407,769 | 26,654,470 | 4,369,389 | 32,190,813 | 17,222,230 | 115,755,721 |
| Accumulated depreciation | | | | | | |
| As at January 01, 2024 | 11,385,370 | 8,810,752 | 2,082,470 | 11,965,835 | 7,186,454 | 43,080,473 |
| Charge for the year | 2,559,578 | 1,829,386 | 486,760 | 5,565,527 | 1,159,754 | 12,162,221 |
| Disposal | - | (202,784) | (20,500) | (325,050) | - | (548,314) |
| As at December 31, 2024 | 13,924,948 | 10,457,354 | 2,548,730 | 17,206,332 | 8,346,188 | 54,695,380 |
| Net book value | 18,482,821 | 16,217,116 | 1,820,659 | 14,984,481 | 8,876,059 | 61,060,341 |
| Rate of depreciation (%) | 10 | 10 | 15 - 33.33 | 33.33 | 10 | 20 |

(Rupees)

Disclosure relating to right of use assets

| Number of right of use assets leased | Range of remaining term | Average remaining lease term | Number of leases with extension option | Number of leases with termination option |
|--------------------------------------|-------------------------|------------------------------|----------------------------------------|------------------------------------------|
| 24 | 1- 5 years | 4 years | 24 | 24 |

Office building

2025
----- (Rupees) -----

2024
----- (Rupees) -----

INTANGIBLE ASSETS

Intangible assets - at net book value

8.1 468,976 748,552

Intangible assets - at net book value

| 2025 | Cost | | Accumulated amortization | | Net book value as at December 31 | Amortization rate (% per annum) |
|----------|-----------------|-----------|--------------------------|---------------------|----------------------------------|---------------------------------|
| | As at January 1 | Additions | As at January 1 | Charge for the year | | |
| Software | 4,101,600 | - | 3,553,048 | 279,576 | 3,632,624 | 20 |
| Total | 4,101,600 | - | 3,553,048 | 279,576 | 3,632,624 | |

----- (Rupees) -----

| 2024 | Cost | | Accumulated amortization | | Net book value as at December 31 | Amortization rate (% per annum) |
|----------|-----------------|-----------|--------------------------|---------------------|----------------------------------|---------------------------------|
| | As at January 1 | Additions | As at January 1 | Charge for the year | | |
| Software | 4,101,600 | - | 2,909,948 | 443,100 | 3,553,048 | 20 |
| Total | 4,101,600 | - | 2,909,948 | 443,100 | 3,553,048 | |

----- (Rupees) -----

Intangibles include fully amortized software having a cost of Rs. 2,976,100 (2024: Rs. 1,886,100).

| | 2025 | 2024 |
|------------------------------------|----------------------|------------|
| | ----- (Rupees) ----- | |
| LONG TERM DEPOSITS | | |
| Security deposits | 10,608,111 | 10,506,201 |
| | | |
| Security deposits - RJA Financials | 13,947,584 | 14,078,064 |
| Opening Balance | 104,854 | (130,480) |
| Foreign exchange gain/(loss) | 14,052,438 | 13,947,584 |
| Closing balance | 24,660,549 | 24,453,785 |

This includes interest free security deposits against leased premises in respect of Head Office and branch offices of the Company.

This represents an amount deposited with RJA Financial Services as a security deposit for business transactions. The deposit is interest free and will be refunded after the termination of the agreement or adjusted in case of any default by the Company.

DEFERRED TAXATION - NET

Deferred tax asset/(liabilities) arising in respect of:

| | | |
|----------------------------------------|--------------|--------------|
| Accelerated tax depreciation allowance | (1,294,157) | (2,754,815) |
| Right of use assets | (27,974,628) | (30,421,322) |
| Lease liabilities | 31,313,181 | 33,920,010 |
| | 2,044,396 | 743,875 |

Movement in deferred tax charged to P/L

| | | |
|--------------------------------|-----------|----------|
| Opening balance | 743,875 | 811,528 |
| Deferred tax income/(expenses) | 1,300,521 | (67,653) |
| Closing balance | 2,044,396 | 743,875 |

| | Note | 2025 ----- (Rupees) ----- | 2024 ----- |
|----------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|--------------------|
| 11 TAXATION - NET | | | |
| Opening balance | | 34,857,977 | (29,094,352) |
| Provision for taxation | 27 | (23,442,676) | (68,174,738) |
| Prior year | | 1,470,414 | - |
| Tax paid / deducted during the year | | 64,917,844 | 132,127,067 |
| Closing balance | | <u>77,803,559</u> | <u>34,857,977</u> |
| 12 SHORT TERM INVESTMENTS | | | |
| At amortized cost | | | |
| Market Treasury Bills (MTBs) | 12.1 | <u>54,472,805</u> | <u>59,594,734</u> |
| 12.1 | This represents 1 year T BILLS purchased on December 30, 2025 from National Bank of Pakistan with a face value of Rs. 60 million (2024: 65.69 million). These will be matured on December 24, 2026. The yield to maturity rate is 10.38%. The market value of these T BILLS as at December 31, 2025 amounted to Rs. 54,441,840 (2024: Rs. 59,686,902). | | |
| 13 PREPAYMENTS AND OTHER RECEIVABLES | | | |
| Short term prepayments and other receivables | 13.1 | 15,463,751 | 3,864,352 |
| Advance to staff - secured | 13.2 | 2,558,115 | 1,863,791 |
| | | <u>18,021,866</u> | <u>5,728,143</u> |
| 13.1 | These includes prepaid expense, insurance and other prepayments. | | |
| 13.2 | Advances to employees are granted up to the lower of three months' basic salary or the respective employee's provident fund balance. Such advances are recovered through periodic deductions from salaries and are secured against the employees' provident fund balances. | | |
| 14 TRADE DEBTS | | | |
| Secured, Considered good | | | |
| Receivable from Western Union | | 10,196,248 | 11,110,891 |
| Receivable from National Bank of Pakistan | | 7,438,216 | 773,739 |
| Receivable from Bahrain Financing | | 764,374,949 | 662,125,711 |
| | 14.1 | <u>782,009,413</u> | <u>674,010,341</u> |

- 14.1 These represents receivable in respect of inward remittances paid on behalf of Money Transfer Operator (MTO). The average credit period for payment of inward remittances is two to three days and no interest is charged for this period. There are no past dues or impaired balance as of year / period end.

| | Note | 2025 ------(Rupees)----- | 2024 |
|------------------------------------------|------|-----------------------------|----------------------|
| 15 CASH AND BANK BALANCES | | | |
| Balances with banks | | | |
| Deposit accounts - in local currency | 15.1 | 300,987,512 | 12,037,507 |
| Current accounts - in local currency | 15.3 | 356,606,527 | 839,398,432 |
| Current accounts - in foreign currencies | 15.2 | 160,193,593 | 386,121,379 |
| | | <u>817,787,632</u> | <u>1,237,557,318</u> |
| Cash in hand | | | |
| Local currency | | 142,894,474 | 142,897,786 |
| Foreign currencies | 15.2 | 420,773,477 | 129,039,703 |
| | | <u>563,667,951</u> | <u>271,937,489</u> |
| | | <u>1,381,455,583</u> | <u>1,509,494,807</u> |

- 15.1 This amount is placed with the NBP (Rs.250,495,529/-), Bank Makarmah (Rs.50,312,846/-) and Soneri Bank (Rs.179,137/-) carries mark-up / interest at the rate of 9.05% - 7.24% (2024: 20.5% - 13.5% per annum) and 9.5% per annum respectively.
- 15.2 This represents various foreign currencies held for trading. Foreign currencies other than USD are purchased locally and are usually exported outside Pakistan.
- 15.3 This includes Rs.325,555.376/- deposited with State Bank of Pakistan to meet the Statutory Liquidity Reserve (SLR) requirement of 15 percent of Paid-up Capital in accordance with the requirement stipulated in EPD Circular Letter No.5 of 2021.

16 SHARE CAPITAL

16.1 Authorized share capital

| 2025 | 2024 | | 2025 | 2024 |
|--------------------------------|--------------------|--------------------|----------------------|----------------------|
| ----- (Number of shares) ----- | | | ----- (Rupees) ----- | |
| <u>200,000,000</u> | <u>200,000,000</u> | Ordinary shares of | <u>2,000,000,000</u> | <u>2,000,000,000</u> |
| | | Rs.10 each. | | |

16.2 Issued, subscribed and paid-up share capital

| 2025 | 2024 | | 2025 | 2024 |
|--------------------------------|--------------------|--------------------|----------------------|----------------------|
| ----- (Number of shares) ----- | | | ----- (Rupees) ----- | |
| 30,000,000 | 30,000,000 | Ordinary shares of | 300,000,000 | 300,000,000 |
| | | Rs. 10 each issued | | |
| | | as fully paid in | | |
| 145,000,000 | 145,000,000 | Ordinary shares of | 1,450,000,000 | 1,450,000,000 |
| | | Rs. 10 each issued | | |
| | | as bonus shares. | | |
| <u>175,000,000</u> | <u>175,000,000</u> | | <u>1,750,000,000</u> | <u>1,750,000,000</u> |

16.3 At December 31, 2025 the Holding Company held 174,998,950 (2024: 174,998,950) ordinary shares of the Company, which comprises of 99.994% of the ordinary share capital (2024: 99.994%).

| | Note | 2025 ------(Rupees)----- | 2024 |
|--------------------------------|------|-----------------------------|--------------------------|
| 17 LONG TERM DEPOSITS | | | |
| Opening balance | | 90,568,725 | 40,975,400 |
| Receipt during the year | | 116,902,684 | 64,084,233 |
| Payment during the year | | (165,778,982) | (13,963,761) |
| Foreign exchange loss/(income) | 26 | <u>422,773</u> | <u>(527,147)</u> |
| Closing balance | 17.1 | <u><u>42,115,200</u></u> | <u><u>90,568,725</u></u> |

17.1 This represents interest free deposit of USD 150,000 (including 55,000 as a short tem deposit on the event of Christmas / New Year) (2024: USD 325,000) received from Western Union against payments for inward remittance. The amount is placed separately in the bank account in accordance with section 217 of Companies Act, 2017.

18 LEASE LIABILITIES

Lease Liability represented by:

| | | | |
|---------------------|------|---------------------------|---------------------------|
| Non current portion | | 62,062,824 | 89,981,754 |
| Current portion | | <u>45,913,661</u> | <u>26,983,798</u> |
| | 18.1 | <u><u>107,976,485</u></u> | <u><u>116,965,552</u></u> |

18.1 Movement:

| | | | |
|------------------------------|--|---------------------------|---------------------------|
| Opening balance | | 116,965,552 | 68,377,142 |
| Additions during the year | | 72,771,363 | 79,062,666 |
| Finance cost during the year | | 9,811,624 | 9,967,286 |
| Repayment during the year | | (47,077,364) | - |
| Adjustment during the year | | <u>(44,494,690)</u> | <u>(40,441,531)</u> |
| Closing balance | | <u><u>107,976,485</u></u> | <u><u>116,965,552</u></u> |

| December 31, 2025 | | | |
|-------------------------------|------------------------------------------------|-----------------------|-------|
| Minimum lease payments due in | | | |
| Not later than one year | Later than one year but not later than 5 years | Later than five years | Total |
| Rupees | | | |

| | | | | |
|------------------------|-------------------|-------------------|----------|---------------------------|
| Minimum lease payments | 54686967 | 68,894,176 | - | 123,581,143 |
| Less: finance charges | (8,773,306) | (6,831,352) | - | (15,604,658) |
| Net present value | <u>45,913,661</u> | <u>62,062,824</u> | <u>-</u> | <u><u>107,976,485</u></u> |

| December 31, 2024 | | | |
|-------------------------------|------------------------------------------------|-----------------------|-------|
| Minimum lease payments due in | | | |
| Not later than one year | Later than one year but not later than 5 years | Later than five years | Total |

Rupees

| | | | | |
|------------------------|-------------------|-------------------|----------|--------------------|
| Minimum lease payments | 38,238,144 | 105,505,849 | - | 143,743,993 |
| Less: finance charges | (11,254,346) | (15,524,095) | - | (26,778,441) |
| Net present value | <u>26,983,798</u> | <u>89,981,754</u> | <u>-</u> | <u>116,965,552</u> |

2025

2024

Note

------(Rupees)-----

19 TRADE AND OTHER PAYABLES

| | | | |
|---------------------------------|------|-------------------|-------------------|
| Payable to RIA-Financials | 19.1 | 9,800,687 | 14,388,272 |
| Accrued liabilities | | 42,842,115 | 33,565,677 |
| Provision for leaves encashment | 19.2 | 1,097,621 | 1,095,438 |
| | | <u>53,740,423</u> | <u>49,049,387</u> |

19.1 This represents advance payment from RIA - Financials in respect of payment of inward remittances on its behalf.

19.2 The movement in provision during the year is as follows:

| | | |
|------------------------------------|------------------|------------------|
| Opening balance | 1,095,438 | 1,955,796 |
| Addition / (reversal) for the year | 653,630 | (566,718) |
| Payment during the year | <u>(651,447)</u> | <u>(293,640)</u> |
| Closing balance | <u>1,097,621</u> | <u>1,095,438</u> |

20 CONTINGENCIES AND COMMITMENTS

20.1 Contingencies

There are no contingencies as on December 31, 2025 (2024: Nil).

20.2 Commitments

There are no commitments as on December 31, 2025 (2024: Nil).

| | Note | 2025 | 2024 |
|------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|--------------------|
| | | ------(Rupees)----- | |
| 21 | INCOME FROM EXCHANGE OPERATION | | |
| Exchange income | 21.1 | 262,475,007 | 319,107,888 |
| Remittance gain | | 22,741,378 | 25,055,653 |
| | | <u>285,216,385</u> | <u>344,163,541</u> |
| 21.1 | Income from exchange operation includes income from sale and purchase of foreign currencies and revaluation gain / loss on foreign currencies. | | |
| 22 | FEE INCOME | | |
| Inward remittances through Western Union | | 15,748,551 | 23,861,225 |
| Inward remittances through RIA-Financials | | 1,104,062 | 1,319,200 |
| Inward remittances through National Bank of Pakistan | | 7,559,549 | 2,560,088 |
| Foreign telegraphic transfer / foreign demand draft | | 3,858,238 | 8,079,304 |
| Outward remittances through Western Union | | 751,907 | 2,191,901 |
| Collection of utilities bills | | 1,224 | 2,784 |
| | | <u>29,023,531</u> | <u>38,014,502</u> |
| 23 | ADMINISTRATIVE EXPENSES | | |
| Staff salaries and benefits | 23.1 | 129,863,203 | 100,391,852 |
| Security charges | | 26,587,788 | 38,460,945 |
| Cash carry cahrges | | 71,151,397 | 50,508,105 |
| Depreciation on right of use asset | 7.1 | 37,315,969 | 32,160,689 |
| Travelling and conveyance | | 6,117,376 | 5,894,792 |
| Utilities | | 12,962,393 | 15,645,645 |
| Repairs and maintenance | | 19,001,097 | 13,023,451 |
| Depreciation on property and equipment | 6.1 | 15,306,168 | 12,163,221 |
| Advertisement | | 2,516,206 | 1,717,321 |
| Telephone and connectivity | | 7,407,344 | 6,004,971 |
| Legal and professional charges | | 1,956,752 | 3,172,397 |
| Printing and stationery | | 3,519,765 | 4,041,104 |
| Insurance | | 3,003,818 | 2,288,048 |
| Entertainment | | 2,289,040 | 1,725,780 |
| Others | 23.3 | 2,354,266 | 1,897,942 |
| Rent, rates and taxes | | 3,085,607 | 2,504,804 |
| Auditors' remuneration | 23.2 | 1,088,600 | 999,000 |
| Directors' meeting fee | 29.2 | 2,540,000 | 630,000 |
| Amortization of intangible asset | 8.1 | 279,576 | 443,100 |
| Postage and couriers | | 380,813 | 370,901 |
| | | <u>348,727,178</u> | <u>294,044,068</u> |

23.1 These includes an amount of Rs. 3.916 million (2024: Rs. 2.988 million) pertaining to contribution to Staff Provident Fund.

| | Note | 2025 ----- (Rupees) ----- | 2024 ----- |
|------------------------------------|------|------------------------------|-------------------|
| 23.2 Auditors' remuneration | | | |
| Audit fee | | 905,000 | 815,400 |
| Out of pocket expenses | | 183,600 | 183,600 |
| | | <u>1,088,600</u> | <u>999,000</u> |
| 23.3 Others | | | |
| Sundry expenses | | 2,289,911 | 1,870,262 |
| Book publication and news paper | | 64,355 | 27,680 |
| | | <u>2,354,266</u> | <u>1,897,942</u> |
| 24 FINANCE COST | | | |
| Finance cost on lease liabilities | | 9,811,624 | 9,967,286 |
| Bank charges on TT/DD | 24.1 | 5,836,449 | 9,361,516 |
| Bank charges | 24.2 | 10,545,216 | 6,932,885 |
| | | <u>26,193,289</u> | <u>26,261,687</u> |

24.1 This includes bank charges and commission charged by the holding company on foreign telegraphic transfers and foreign demand drafts.

24.2 This include bank charges deducted by the Holding Company amounting to Rs. 8,662,199 (2024: Rs.6,932,885)

25 OTHER INCOME

| | | | |
|--------------------------------------------|------|--------------------|--------------------|
| Interest income on deposit accounts | 25.1 | 25,668,926 | 90,555,255 |
| Interest income on T-Bills | | 32,706,820 | 61,684,819 |
| Exchange gain on long term deposits (WU) | 17 | - | 527,147 |
| Exchange gain on long term deposits (RIA) | | 104,854 | - |
| Gain on disposal of property and equipment | | - | 24,177 |
| Other miscellaneous income | 25.2 | 80,887,700 | 6,835,131 |
| | | <u>139,368,300</u> | <u>159,626,529</u> |

25.1 This represents mark-up / interest income on savings accounts maintained with NBP and Bank Makamah and carries mark-up / interest rate of 9.05% - 7.24% per annum (2024: 20.5% - 13.5% per annum) and 9.5% per annum respectively.

25.2 These includes an amount received amounting to Rs.65,936,140 during the year on account of incentive on inward remittance from the State Bank of Pakistan (SBP) at the rate of PKR 1 per USD. This amount also include prior period balance and had remained outstanding for the past two years before being received in the current year.

| | Note | 2025 ----- (Rupees) ----- | 2024 ----- |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|------------------------------|--------------------|
| 26 OTHER EXPENSE | | | |
| Exchange loss on long term deposits (WU) | | 422,773 | - |
| Penalty imposed by SBP | 26.1 | 25,000 | 3,247,000 |
| Penalty imposed by FBR | 26.2 | - | 3,477,094 |
| Loss on disposal of property and equipment | | 113,679 | - |
| Exchange loss on long term deposits (RIA) | | - | 130,480 |
| | | <u>561,452</u> | <u>6,854,574</u> |
| 26.1 This amount represents a penalty imposed by SBP for non-compliance with regulatory instructions under FERA, pursuant to Sections 23K, 3AA(5), and 3B. | | | |
| 27 TAXATION | | | |
| Current tax expense | | 23,442,676 | 68,174,738 |
| Prior tax expense | | (1,470,414) | - |
| Deferred tax (income)/expense | | (1,300,521) | 67,653 |
| | 27.1 | <u>20,671,741</u> | <u>68,242,391</u> |
| 27.1 Relationship between tax expense and accounting profit | | | |
| Accounting profit before tax | | <u>78,126,297</u> | <u>214,644,243</u> |
| Tax rate % | | <u>29%</u> | <u>29%</u> |
| Tax on accounting profit | | 22,656,626 | 62,246,830 |
| Tax effect of inadmissible expenses / losses | | | |
| - prior year | | (1,470,414) | - |
| -Impact of super tax | | - | 4,398,370 |
| -Impact of defferred tax | | - | 1,597,191 |
| - others | | (514,471) | - |
| | | <u>20,671,741</u> | <u>68,242,391</u> |
| 27.2 Income tax returns up to tax year 2025 have been filed on self-assessment basis and are deemed to be assessed under section 120 of the Income Tax Ordinance, 2001. | | | |
| 28 EARNINGS PER SHARE - BASIC | | | |
| Profit for the year | | <u>57,454,556</u> | <u>146,401,852</u> |

| | | |
|------------------------------------------------------------------------|--------------|--------------|
| Weighted average number of ordinary shares outstanding during the year | 175,000,000 | 175,000,000 |
| Earnings per share - Basic | <u>0.328</u> | <u>0.837</u> |

29 REMUNERATION OF CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES

The aggregate amounts charged in the financial statements in respect of remuneration, including all benefits, to the executives were as follows:

| | <u>Chief Executive Officer</u> | | <u>Executives</u> | |
|--------------------------------|--------------------------------|------------------|-------------------|-------------------|
| | 2025 | 2024 | 2025 | 2024 |
| ------(Rupees)----- | | | | |
| Basic salary | 2,815,560 | 2,501,427 | 4,578,556 | 3,642,000 |
| House rent allowance | 1,689,336 | 1,500,858 | 2,747,128 | 2,185,201 |
| Conveyance | 420,000 | 420,000 | 1,285,968 | 1,242,833 |
| Bonus | 426,600 | 387,818 | 540,474 | 451,004 |
| Utilities | 703,896 | 625,356 | 1,144,637 | 910,500 |
| Contribution to provident fund | 234,538 | 208,372 | 356,671 | 265,591 |
| Cash reward | 400,000 | 650,000 | 680,000 | 1,440,000 |
| Others | 24,000 | 24,000 | 173,485 | 60,733 |
| | <u>6,713,930</u> | <u>6,317,831</u> | <u>11,506,919</u> | <u>10,197,862</u> |
| Number of person(s) | <u>1</u> | <u>1</u> | <u>5</u> | <u>2</u> |

- 29.1 In addition, Chief Executive officer is provided with a Company's maintained car.
- 29.2 During the year amount of Rs. 2,540,000 (2024: Rs. 630,000) was paid to directors for attending meetings. The Board approved the remuneration of independent directors of Rs. 60,000 and Rs. 50,000 per Board and Committee meetings respectively on their 88th meeting held on July 11, 2025.
- 29.3 The board in its 79th meeting held on June 04, 2024 announced cash award policy for its employees based on the growth beyond the last year profit before tax and achievement of current year prescribed budgeted profit before tax in order to achieve company goals and business objective.

30 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties and associated undertakings comprise Holding Company, its subsidiaries, associated companies, fund established by the Company, Directors and their related concerns and key management personnel. All transactions involving, related parties arising in the normal course of business are conducted at agreed terms and conditions. Transactions with the key management personnel are made under the terms of employment / entitlements. Details of transactions and balances with related parties during the year, other than those which have been disclosed elsewhere in these financial statements, are as follows:

| Nature of Relationship | Note | 2025 | 2024 |
|-------------------------------------------------------------|------|----------------------|-----------------|
| | | ----- (Rupees) ----- | |
| 30.1 National Bank of Pakistan - the Holding Company | | | |
| Transactions | | | |
| Sale of foreign currencies | | 30,800,944,680 | 24,024,577,694 |
| Purchase of foreign currency | | 1,692,559,945 | 4,325,888,057 |
| Deposit in bank accounts maintained with NBP | | 131,509,073,198 | 111,189,155,386 |
| Withdrawal from bank accounts maintained with NBP | | 101,585,945,327 | 89,879,586,727 |
| Purchase of investment (T-bills) | | 302,861,250 | 382,676,743 |
| Bank charges | | 8,662,199 | 15,653,813 |
| Interest income on bank deposits | 25.1 | 25,352,869 | 90,555,255 |
| Balances | | | |
| Bank balances | | 405,691,584 | 203,780,654 |
| Accrued interest on savings accounts | | 18,342,212 | 29,824,552 |
| Receivable from National Bank of Pakistan | 15.4 | 7,438,216 | 773,739 |
| Provident fund balances - Saving Accounts | | 34,603,464 | 32,574,382 |
| 30.2 Staff provident fund | | | |
| Transactions during the year | | | |
| Contribution to staff provident fund | 23 | 3,915,849 | 2,987,654 |
| 30.3 Chairman / Directors and CEO | | | |
| Transactions during the year | | | |
| Sale and purchase of foreign currencies | | 6,679,995 | 25,799,153 |
| Shares held by directors | | 10,500 | 10,500 |
| 30.4 Key Management other than CEO | | | |
| Transactions during the year | | | |
| Sale and purchase of foreign currencies | | 791,034 | 417,507 |

31 CAPITAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain a strong capital base to support the sustained development of its business and to comply with the regulatory requirements.

The Company manages its capital structure by monitoring return on net assets and assessing its requirement for various transactions to be undertaken. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders or issue new shares.

The Company currently meets the paid up capital requirement of Rs. 600 million (2024: Rs. 200 million) as required by the State Bank of Pakistan. The current shareholders' equity is Rs. 2,306,289,110 (2024: 2,248,834,554) which is in excess of the minimum capital requirement by Rs. 1,706,289,110 (2024: 2,048,834,554)

The Company monitors capital using a debt equity ratio, which is net debt divided by total capital plus net debt. The gearing ratio as at December 31, is as follows:

| | Note | 2025 ----- (Rupees) ----- | 2024 ----- |
|------------------------------------------------------------------|------|------------------------------|---------------------------|
| Long term deposits | 17 | 42,115,200 | 90,568,725 |
| Lease liabilities against right of use assets | 18 | 62,062,824 | 89,981,754 |
| Current portion of lease liabilities against right of use assets | 18 | 45,913,661 | 26,983,798 |
| Gross debt | | <u>150,091,685</u> | <u>207,534,277</u> |
| Less: cash and cash equivalent | 15 | (1,386,476,936) | (1,509,494,807) |
| Excess cash and cash equivalent | | <u>(1,236,385,251)</u> | <u>(1,301,960,530)</u> |
| Total shareholder's equity | | <u>2,305,637,156</u> | <u>2,248,834,554</u> |
| Equity and net debt | | <u><u>1,069,251,905</u></u> | <u><u>946,874,024</u></u> |
| Gearing ratio | | <u>6.5%</u> | <u>9%</u> |

32 FINANCIAL INSTRUMENTS

The Company is exposed to the following risks in respect of financial instruments:

- Credit risk,
- Liquidity risk, and
- Market risk.

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

32.1 Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss for the Company by failing to discharge an obligation. The risk is generally limited to principal amounts and accrued interest thereon, if any. The Company's policy is to enter into financial contracts in accordance with the risk management framework. Out of total assets of Rs. 2,510 million (2024: Rs. 2,505 million) the financial assets which are subject to credit risk amounted to Rs.1,643 million (2024: Rs. 1,966 million). The carrying amounts of these financial assets represents the maximum credit exposure at the reporting date.

| | Note | 2025 ----- (Rupees) ----- | 2024 ----- |
|----------------------------|------|------------------------------|----------------------|
| Long term deposits | 9 | 24,660,549 | 24,453,785 |
| Trade debts | 14 | 782,009,413 | 674,010,341 |
| Accrued mark-up / interest | | 18,342,212 | 29,824,553 |
| Bank balances | 15 | 817,787,632 | 1,237,557,318 |
| | | <u>1,642,799,806</u> | <u>1,965,845,997</u> |

32.1.1 Details of the credit ratings of bank balances are as follows:

| Name of Bank | Rating Agency | Rating | | Amount in Rupees - | |
|-----------------------------|---------------|-----------|------------|--------------------|--------------------|
| | | Long term | Short term | 2025 | 2024 |
| National Bank of Pakistan | PACRA | AAA | A1+ | 403,164,654 | 203,780,654 |
| Bank of Punjab | PACRA | AA+ | A1+ | 6,213,208 | 715,987,395 |
| Faysal Bank | PACRA | AA | A1+ | 46,487 | 368,731 |
| Mobilink Micro Finance Bank | PACRA | A | A1 | 2,001 | 2,001 |
| Muslim Commercial Bank | PACRA | AAA | A1+ | 477,535 | 16,103,047 |
| United Bank Limited | PACRA | AAA | A1+ | 30,493,536 | (3,135,747) |
| Soneri Bank | PACRA | AA- | A1+ | 746,714 | - |
| Bank Makaramah | PACRA | A- | A2 | 51,088,122 | - |
| | | | | <u>492,232,257</u> | <u>933,106,081</u> |

32.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The following are the contractual maturities of financial liabilities:

| 2025 | | Carrying Amount | Contractual cash flows | Maturity up to one month | Maturity later than one month and not later than three months | Maturity later than three months and not later than one year | Maturity later than one year and not later than five years |
|--------------------------|------|---------------------|------------------------|--------------------------|---------------------------------------------------------------|--------------------------------------------------------------|------------------------------------------------------------|
| | Note | ------(Rupees)----- | | | | | |
| Long term deposits | | 42,115,200 | 42,115,200 | - | - | - | 42,115,200 |
| Lease liabilities | 18 | 107,976,485 | 123,581,143 | - | - | 54,686,967 | 68,894,176 |
| Trade and other payables | | 53,740,423 | 53,740,423 | 53,740,423 | - | - | - |
| | | 203,832,108 | 219,436,766 | 53,740,423 | - | 54,686,967 | 111,009,376 |

| 2024 | | Carrying Amount | Contractual cash flows | Maturity up to one month | Maturity later than one month and not later than three months | Maturity later than three months and not later than one year | Maturity later than one year and not later than five years |
|--------------------------|------|---------------------|------------------------|--------------------------|---------------------------------------------------------------|--------------------------------------------------------------|------------------------------------------------------------|
| | Note | ------(Rupees)----- | | | | | |
| Long term deposits | | 90,568,725 | 90,568,725 | - | - | - | 90,568,725 |
| Lease liabilities | 18 | 116,965,552 | 143,743,993 | - | - | 38,238,144 | 105,505,849 |
| Trade and other payables | | 49,049,387 | 49,049,387 | 49,049,387 | - | - | - |
| | | 256,583,664 | 283,362,105 | 49,049,387 | - | 38,238,144 | 196,074,574 |

32.3 Market risk

Market risk means that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices such as foreign exchange rates, interest rates and equity prices. The objective is to manage and control market risk exposures within acceptable parameters, while optimizing the return. Market risk comprises of three types of risk: foreign exchange or currency risk, interest/mark up rate risk and price risk. The market risks associated with the Company's business activities are discussed as under:

32.4 Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in the market yield. At the reporting date the interest rate profile of the Company's significant interest bearing financial instruments was as follows:

| | | 2025 | | | | | | | | | | | | |
|-----------------------------------------|------|----------------------------|----------------------------------|-------------------|-----------------|--------------------------------|---------------|---------------------|-----------------|---------------------------|-----------------|---------------------------|-----------------|---------------------------|
| Effective yield / interest rate percent | Note | Interest / mark-up bearing | | | | Non interest / mark-up bearing | Total | between one to five | over five years | Between one to five years | Over Five years | Between one to five years | Over five years | Between one to five years |
| | | Up to three months | Between three months to one year | One to five years | Over five years | | | | | | | | | |
| Rupees | | | | | | | | | | | | | | |
| On Balance Sheet Assets | | | | | | | | | | | | | | |
| Financial Assets | | | | | | | | | | | | | | |
| Long-term deposits | 9 | - | - | - | - | 24,660,549 | 24,660,549 | - | - | - | - | - | - | - |
| Trade debts - considered good | 14 | - | - | - | - | 782,009,413 | 782,009,413 | - | - | - | - | - | - | - |
| Loan to staff - secured | 13 | - | - | - | - | 2,558,115 | 2,558,115 | - | - | - | - | - | - | - |
| Accrued mark-up/ interest | | - | - | - | - | 18,242,212 | 18,242,212 | - | - | - | - | - | - | - |
| Cash and bank balances | 15 | 8.8% - 7.5% | 168,987,512 | - | - | 1,010,461,071 | 1,381,453,583 | - | - | - | - | - | - | - |
| | | | 300,987,512 | - | - | 1,988,033,360 | 2,209,025,872 | - | - | - | - | - | - | - |
| Financial Liabilities | | | | | | | | | | | | | | |
| Long term deposits | 17 | - | - | - | - | 42,115,200 | 42,115,200 | - | - | - | - | - | - | - |
| Lease liabilities | 18 | 11% | - | 45,913,661 | 62,062,824 | - | 107,976,485 | - | - | - | - | - | - | - |
| Trade and other payables | 19 | - | - | - | - | 33,748,423 | 33,748,423 | - | - | - | - | - | - | - |
| | | | - | 45,913,661 | 62,062,824 | - | 95,851,623 | - | - | - | - | - | - | - |
| On-balance sheet gap | | | 300,987,512 | (45,913,661) | (62,062,824) | - | 1,812,185,737 | 2,005,193,764 | - | - | - | - | - | - |
| Non financial net assets | | | | | | | | 301,093,346 | | | | | | |
| | | | | | | | | 2,306,289,110 | | | | | | |

| | | 2024 | | | | | | | | | | | | |
|-----------------------------------------|------|----------------------------|----------------------------------|-------------------|-----------------|--------------------------------|---------------|---------------------|-----------------|---------------------------|-----------------|---------------------------|-----------------|---------------------------|
| Effective yield / interest rate percent | Note | Interest / mark-up bearing | | | | Non interest / mark-up bearing | Total | between one to five | over five years | Between one to five years | Over Five years | Between one to five years | Over five years | Between one to five years |
| | | Up to three months | Between three months to one year | One to five years | Over five years | | | | | | | | | |
| Rupees | | | | | | | | | | | | | | |
| On Balance Sheet Assets | | | | | | | | | | | | | | |
| Financial Assets | | | | | | | | | | | | | | |
| Long-term deposits | 9 | - | - | - | - | 24,453,785 | 24,453,785 | - | - | - | - | - | - | - |
| Long term investments | 10 | 15% | - | - | - | 674,010,341 | 674,010,341 | - | - | - | - | - | - | - |
| Trade debts - considered good | 14 | - | - | - | - | 1,863,791 | 1,863,791 | - | - | - | - | - | - | - |
| Loan to staff - secured | 13 | - | - | - | - | 29,824,553 | 29,824,553 | - | - | - | - | - | - | - |
| Accrued mark-up/ interest | | - | - | - | - | 1,497,457,300 | 1,509,494,807 | - | - | - | - | - | - | - |
| Cash and bank balances | 15 | 13.5% - 20.5% | 12,037,507 | - | - | - | - | - | - | - | - | - | - | - |
| | | | 12,037,507 | - | - | - | 2,227,609,770 | 2,239,647,277 | - | - | - | - | - | - |
| Financial Liabilities | | | | | | | | | | | | | | |
| Long term deposits | 17 | - | - | - | - | 90,568,725 | 90,568,725 | - | - | - | - | - | - | - |
| Lease liabilities | 18 | 11% | - | 26,983,798 | 89,981,754 | - | 116,965,552 | - | - | - | - | - | - | - |
| Trade and other payables | 19 | - | - | - | - | 49,049,387 | 49,049,387 | - | - | - | - | - | - | - |
| | | | - | 26,983,798 | 89,981,754 | - | 139,618,112 | 256,583,664 | - | - | - | - | - | - |
| On-balance sheet gap | | | 12,037,507 | (26,983,798) | (89,981,754) | - | 2,087,991,658 | 1,983,063,613 | - | - | - | - | - | - |
| Non financial net assets | | | | | | | | 265,770,941 | | | | | | |
| | | | | | | | | 2,248,834,554 | | | | | | |

32.5 Currency risk

Currency risk is the risk that the value of the financial instrument will fluctuate due to changes in the foreign exchange rates. In order to avoid losses arising from adverse movements in the rate of exchange the management monitors compliance with all external and internal limits (including currency, dealer and counter party limits), review of foreign exchange exposure and regular revaluation of the entire portfolio.

The Company's exposure to foreign exchange risk is as follows:

| | 2025 | | | |
|---------------------------------------|---------------------------------|------------|------------|-------------|
| | USD | GBP | EUR | Others |
| | ----- (Equivalent Rupees) ----- | | | |
| Financial Assets | | | | |
| Foreign currencies - in hand and bank | 200,373,535 | 39,134,835 | 94,615,892 | 246,842,808 |
| Trade debts | 774,571,197 | - | - | - |
| | 974,944,732 | 39,134,835 | 94,615,892 | 246,842,808 |
| Financial Liabilities | | | | |
| Long term deposit | 42,115,200 | - | - | - |
| Net currency exposure | 932,829,532 | 39,134,835 | 94,615,892 | 246,842,808 |
| Currency exchange rates | 280.77 | 378.22 | 329.92 | Various |
| | 2024 | | | |
| | USD | GBP | EUR | Others |
| | ----- (Equivalent Rupees) ----- | | | |
| Financial Assets | | | | |
| Foreign currencies - in hand and bank | 357,500,686 | 17,339,158 | 36,643,546 | 103,677,692 |
| Trade debts | 673,236,602 | - | - | - |
| | 1,030,737,288 | 17,339,158 | 36,643,546 | 103,677,692 |
| Financial Liabilities | | | | |
| Long term deposit | 90,568,725 | - | - | - |
| Net currency exposure | 940,168,563 | 17,339,158 | 36,643,546 | 103,677,692 |
| Currency exchange rates | 278.67 | 349.50 | 289.75 | Various |

33 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

Fair value is the price that would be received to sell an asset or paid or transfer a liability in an orderly transaction between market participants and measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

The Company measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements:

- Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Fair value measurements using 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).
- Level 3: Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

Valuation techniques include net present value and net assets value. Assumptions and inputs used include risk-free and benchmark interest rates used in estimating discount rates.

ative of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

ng 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 terms.

pany uses widely recognized valuation techniques, for determining the fair value of assets and liabilities, that use only observable market data and require little management judgment and estimation.

ial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and prices represent actual and regularly occurring market transactions on an arm's length basis.

wing table analyses financial assets and liabilities at the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorized.

| | 2025 | | | | | | | |
|-------------------------------------------|------------------------------------|-----------------------------------------------|----------------|-------------|-------------|------------|---------|----------------|
| | Carrying Amount | | Fair value | | | | | |
| | Fair value through profit and loss | Fair value through other comprehensive income | Amortized Cost | Total | Level 1 | Level 2 | Level 3 | Carrying Value |
| | (Rupees) | | | | | | | |
| in currencies | 580,967,070 | - | - | 580,967,070 | 580,967,070 | - | - | 580,967,070 |
| il assets not measured at fair value | - | - | 54,472,805 | 54,472,805 | - | 54,441,840 | - | 54,472,805 |
| l Treasury Bills | - | - | 24,660,549 | 24,660,549 | - | - | - | 24,660,549 |
| erm deposits | - | - | 782,009,413 | 782,009,413 | - | - | - | 782,009,413 |
| debits | - | - | 800,488,513 | 800,488,513 | - | - | - | 800,488,513 |
| und bank balances | - | - | - | - | - | - | - | - |
| al liabilities not measured at fair value | - | - | 42,115,200 | 42,115,200 | - | - | - | 42,115,200 |
| g term deposit | - | - | 53,740,423 | 53,740,423 | - | - | - | 53,740,423 |
| de and other payables | - | - | - | - | - | - | - | - |

| | 2024 | | | | | | | |
|--------------------------------------------|------------------------------------|-----------------------------------------------|----------------|-------------|-------------|------------|---------|----------------|
| | Carrying Amount | | Fair value | | | | | |
| | Fair value through profit and loss | Fair value through other comprehensive income | Amortized Cost | Total | Level 1 | Level 2 | Level 3 | Carrying Value |
| | (Rupees) | | | | | | | |
| in currencies | 515,161,082 | - | - | 515,161,082 | 515,161,082 | - | - | 515,161,082 |
| ial assets not measured at fair value | - | - | 59,594,734 | 59,594,734 | - | 58,870,441 | - | 59,594,734 |
| arket Treasury Bills | - | - | 24,453,785 | 24,453,785 | - | - | - | 24,453,785 |
| ng term deposits | - | - | 674,010,341 | 674,010,341 | - | - | - | 674,010,341 |
| ide debts | - | - | 994,333,725 | 994,333,725 | - | - | - | 994,333,725 |
| st and bank balances | - | - | - | - | - | - | - | - |
| ial liabilities not measured at fair value | - | - | 90,568,725 | 90,568,725 | - | - | - | 90,568,725 |
| ng term deposit | - | - | 49,049,387 | 49,049,387 | - | - | - | 49,049,387 |
| ade and other payables | - | - | - | - | - | - | - | - |

34 GEOGRAPHICAL LOCATIONS

- 1) **Main branch:** Ground Floor, Shaheen Complex, M.R Kiyani Road, Karachi.
- 2) **Moon Market branch:** Shop No. 1, Shalizar Plaza, Plot No. 2 Main Commercial Zone, Moon Market, Allama Iqbal Town, Lahore.
- 3) **Sialkot branch:** Shop No. 2/A/S-10-1-BXX, Bano Bazar, Sialkot.
- 4) **Rawalpindi branch:** Shop No. UG 7, Rania Mall, 55, Bank Road, Saddar, Rawalpindi Cantt.
- 5) **Islamabad branch:** Shop No. 05, Mezzanine East, 52-E, Dodhy Buildong, Blue Area, Islamabad.
- 6) **Peshawar branch:** Shop No LG-1, Deans Trade Centre, Peshawar Cantt, Peshawar.
- 7) **Mingora branch:** Shop No. 03, Ground Floor, Near Bank of Khyber, Bank Square, Main Bazar, Mingora, Swat.
- 8) **Wazirabad branch:** Atta Manzil, Wazirabad Sialkot Road, Opp. PTCL Exchange, Wazirabad.
- 9) **Sambrial branch:** Blue Moon Plaza, near Sabzi Mandi, Sialkot Wazirabad Road, Sambrial, Dist. Sialkot.
- 10) **Daska branch:** Askari Market, College Road, Model Town, Daska.
- 11) **Sawari branch:** Shop 1,2 Mustafa Plaza City Police Station Sawari, Pakistan.
- 12) **Cavalry Ground branch:** Shop No. 88, Commercial Plaza, Ground Floor, Cavalry Ground, Lahore Cantt., Lahore.
- 13) **DHA Lahore branch:** Shop No. 01 (Corner Shop), Ground Floor, Plaza No. 109, Block-G, DHA Phase-I, Lahore Cantt., Lahore.
- 14) **Mandi Bahauddin branch:** Shop No. B-6/280, Main Bazar, Katchery Road, Mandi Bahauddin.
- 15) **Gujrat branch:** Shop No B-11/816, Khan Brothers, Near Jamia Ghosia Masjid, Circular Road, Gujrat.
- 16) **Gujranwala branch:** Shop No. 2, Al-Hameed Building, Near Bank Al Habib, Opp: Iqbal High School, Gujranwala.
- 17) **Lalamusa branch:** Shop No. 2 Sadaat Plaza Basement, Near Bank Al Habib Ltd., G T Road, Opposite Meezan Bank, Lalamusa, Tehsil Khariyan, District Gujrat.

- 18) **Kartarpur Corridor exchange booth:** Main Immigration Terminal, Kartarpur Corridor, District Narowal.
- 19) **Ali Pur Chattah branch:** Shop No. 03, Ground Floor, Gujranwala Road, Ali Pur Chattha.
- 20) **Mansehra branch:** Shop No. 4978, Opposite Azad Café, Near Sunny Sweet, Abbottabad Road, Mansehra.
- 21) **Shakargarh branch:** Shop Ground Floor, Khasra # 1856/238, Intiqal # 2343, Near Al Habib Thana Mor, Railway Road, Shakargarh.
- 22) **Doulat Nagar branch:** (1& 2) Shops khiyot / khatoni no 538 / 696 and Fard no 480 / 10336 & 9856/1036 Doulat Nagar Tehsil & District Gujrat.
- 23) **Gohad Pur branch:** Shop No 1 Air Port Road near NBP GohadPur Tehsil and District Sialkot
- 24) **NBP Main Branch, Karachi:** NBP/Head Office/Main Branch, NBP Building, Talpur Road, I.I. Chundrigar Road, Karachi
- 25) **NBP Model Branch, Karachi:** NBP Model Branch G-C-3, Block-8, Kehkashan, Khayaban-e-Iqbal, Clifton, Karachi
- 26) **NBP Main Branch, Narowal:** NBP Main Branch Narowal (0381) - Narowal
- 27) **NBP Bahawal Nagar Branch:** NBP Bahawal Nagar Branch (0709), Bank Street Bahawal Nagar
- 28) **NBP Timergara Branch:** NBP Timergara Branch (0841) Swat, Police Line, Timergara
- 29) **NBPECL Booth Hafizabad Main Branch:** NBP Hafizabad Main Branch (0336), Hafizabad
- 30) **NBPECL Booth NBP Main Branch, Bhalwal:** NBP Main Branch Bhalwal (0312), Liaqat Shaheed Road, Sargodha
- 31) **NBPECL Booth NBP Main Branch, Gujranwala:** NBP Main Branch (0333) Civil Lines, Gujranwala
- 32) **NBPECL Booth NBP Sahiwal Branch:** NBP Sahiwal Branch (0536), Sahiwal
- 33) **NBPECL Booth NBP Dina:** NBP Dina (Jhelum) Branch Code (0616), Mangla Road, Dina, Jhelum

- 34) **NBPECL Booth NBP Main Branch, Attock:** NBP Main Branch Attock Branch Code (0315), Attock
- 35) **NBPECL Booth NBP Main Branch, Mardan:** NBP Main Branch Mardan, Branch Code (0365), Mardan
- 36) **NBPECL Booth NBP Main Branch, Kotli, Mirpur [AJK]:** NBP Main Branch, Kotli Mirpur (AJK) Branch Code 0441
- 37) **NBPECL Booth NBP Chest Branch, Bherowal:** NBP Chest Branch (2310), Bherowal Phalia, Mandi
- 38) **NBPECL Booth NBP Kallar Syedan Branch:** NBP Kallar Syedan Branch (0521), Rawalpindi
- 39) **NBPECL Booth NBP Branch Sialkot:** NBP Branch (0405), Urdu Bazar, Sialkot
- 40) **NBPECL Booth NBP Main Branch, Amar Kalan:** NBP Main Branch Amar Kalan Gujrat, Village and Post Office Amar Kalan Near Mandi Bahauddin, Tehsil Kharian, District Gujrat Code 0929
- 41) **NBPECL Booth NBP Branch, Shiekhupura:** NBP Branch Shiekhupura Code 0401, Katcheri Road Civil Line, Shiekhupura
- 42) **NBPECL Booth NBP Main Branch, Samandri:** NBP Main Branch, Samandri Branch Code 0423, Thanna Road, Samandri, District, Faisalabad
- 43) **NBPECL Booth NBP Main Branch, Toba Tak Singh:** NBP Main Branch Toba Tak Singh, Chak 254/GB, Tehsil and District Toba TakSingh Code 0837
- 44) **NBPECL Booth NBP Main Branch, Kharrianwala:** NBP Main Branch, Kharrianwala Code 2025, Kharrianwala Tehsil and District Gujrat
- 45) **NBPECL Booth NBP City Branch, Peshawar:** Abrashim Garah NBP City Branch Peshawar Branch Code 0387, Tehsil and District Peshawar
- 46) **NBPECL Booth NBP Sost Branch - Gilgit Baltistan,** NBP Sost Branch, Code 1705, PO Sost Village Sost Tehsil Gojal, District Hunza

| | 2025 | 2024 |
|---------------------------------------------|------------|------------|
| 35 NUMBER OF EMPLOYEES | | |
| Number of employees as at year end | <u>150</u> | <u>144</u> |
| Average number of employees during the year | <u>147</u> | <u>124</u> |

36 GENERAL

- 36.1 Figures have been rounded off to the nearest of Rupees.
- 36.2 Corresponding figures have been re-arranged and re-classified to reflect more appropriate presentation of events and transactions for the purpose of comparison.

37 SUBSEQUENT EVENTS

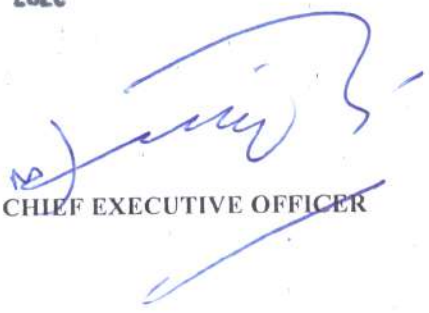
There is no subsequent event effecting the financial statements for the year ended December 31, 2025.

38 DATE OF AUTHORIZATION

These financial statements were authorized for issue by the Board of Directors of the Company in their meeting held on 14-MAY-2026
14 MAY 2026



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE OFFICER



DIRECTOR