EASY FINANCE (PRIVATE) LIMITED
FINANCIAL STATEMENTS

FOR THE YEAR ENDED
JUNE 30, 2025

Result Assured Services for Growth

INDEPENDENT AUDITOR'S REPORT

To the members of Easy Finance (Private) Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **Easy Finance (Private) Limited** ("the Company"), which comprise the statement of financial position as at June 30, 2025, and the statement of profit or loss, statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies 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, statement of profit or loss, statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2025 and of the loss and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

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

Management is responsible for the other information. The other information comprises the information included in the Directors' report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

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

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

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

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

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

Other Matter

The financial statements of the Company for the year ended 30 June 2024, were audited by another auditor who expressed an unmodified opinion on those statements on 04 October 2024.

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

(Chartered Accountants)

Lahore

Date: Oct 27, 2025

UDIN: AR202510098jahAw75qV

EASY FINANCE (PRIVATE) LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025

	Note	2025 Rupees	2024 Rupees
ASSETS			
Non-current assets			
Operating fixed assets	4	**2,851,982**	-
Intangible asset	5	**1,079,167**	-
		3,931,149	-
Current assets			
Digital nano lending-net	6	**28,150,611**	-
Profit receivable	7	**9,528,173**	-
Loan to chief executive	8	**-**	7,350,000
Income tax due from Government - net	9	**1,359,324**	1,591
Other receivables	10	**100,111**	-
Cash and bank balances	11	**73,848,675**	101,074,038
		112,986,894	108,425,629
Total assets		**116,918,043**	108,425,629
EQUITY AND LIABILITIES			
Share capital and reserves			
Share capital	12	**100,000,000**	100,000,000
Directors' loan	13	**17,370,753**	-
Revenue reserve-Accumulated (loss)/profit		**(4,791,286)**	6,015,876
Total equity		**112,579,467**	106,015,876
Liabilities			
Current liabilities			
Trade and other payables	14	**4,338,576**	2,409,753
Total equity and liabilities		**116,918,043**	108,425,629
CONTINGENCIES AND COMMITMENTS	15		

The annexed notes from 1 to 28 form an integral part of these financial statements.

Chief Executive

Director

EASY FINANCE (PRIVATE) LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 Rupees	Period ended 12-Oct-23 to 30-Jun-24 Rupees
Financial income / profit earned		32,017,032	-
Cost of lending	16	(8,417,034)	-
Gross profit		23,599,998	-
Impairment loss on financial assets	17	(35,575,215)	-
Net loss after impairment loss on financial assets		(11,975,217)	-
Administrative expenses	18	(10,246,147)	(2,409,753)
Finance costs	19	(5,336)	(77,464)
Other income	20	11,819,751	10,007,062
(Loss)/profit before levy and taxation		(10,406,949)	7,519,845
Levy	21.1	(400,213)	-
(Loss)/profit before taxation		(10,807,162)	7,519,845
Taxation	21.2	-	(1,503,969)
(Loss)/profit for the year/period		(10,807,162)	6,015,876

The annexed notes from 1 to 28 form an integral part of these financial statements.

Chief Executive

Director

EASY FINANCE (PRIVATE) LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025

	2025 Rupees	Period ended 12-Oct-23 to 30-Jun-24 Rupees
(Loss)/profit for the year/period	**(10,807,162)**	6,015,876
Other comprehensive income:		
-Items that may be re-classified to profit or loss	-	-
-Items that may not be re-classified to profit or loss	-	-
	-	-
Total comprehensive (loss)/income for the year/period	**(10,807,162)**	6,015,876

The annexed notes from 1 to 28 form an integral part of these financial statements.

Chief Executive

Director

EASY FINANCE (PRIVATE) LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2025

Particulars	Issued, subscribed and paid up share capital	Revenue reserve- Accumulated profit/(loss)	Directors' loan (Note 13)	Total equity
	Rupees	Rupees	Rupees	Rupees
Balance as on 12 October 2023	-	-	-	-
Transactions with owners of the Company recorded directly in equity				
Shares issued and subscribed	100,000,000	-	-	100,000,000
Total comprehensive income for the period				
Profit for the period	-	6,015,876	-	6,015,876
Other comprehensive income	-	-	-	-
	-	6,015,876	-	6,015,876
Balance as at 30 June 2024	**100,000,000**	**6,015,876**	**-**	**106,015,876**
Total comprehensive loss for the year				
Loss for the year	-	(10,807,162)	-	(10,807,162)
Other comprehensive income	-	-	-	-
	-	(10,807,162)	-	(10,807,162)
Loan from directors	-	-	17,370,753	17,370,753
Balance as at 30 June 2025	**100,000,000**	**(4,791,286)**	**17,370,753**	**112,579,467**

The annexed notes from 1 to 28 form an integral part of these financial statements.

Chief Executive

Director

EASY FINANCE (PRIVATE) LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 Rupees	Period ended 12-Oct-23 to 30-Jun-24 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
(Loss)/profit before levy and taxation		**(10,406,949)**	7,519,845
Adjustment for non-cash expenses:			
Depreciation of operating fixed assets	4	**158,382**	-
Amortization of intangible asset	5	**308,333**	-
Interest on deposit with bank	20	**(11,819,751)**	(10,007,062)
Finance cost	19	**5,336**	77,464
Impairment loss on financial assets	17	**32,018,505**	-
		10,263,856	(2,409,755)
Changes in working capital			
Digital nano lending-net		**(51,245,345)**	-
Profit receivable		**(18,451,944)**	-
Other receivables		**(100,111)**	-
Trade and other payables		**1,928,823**	2,409,755
		(67,868,577)	2,409,755
Cash used in operations		**(57,604,721)**	-
Interest on deposit with bank received		**11,819,751**	10,007,062
Finance cost paid		**(5,336)**	(77,464)
Income tax & levy paid		**(1,757,946)**	(1,505,560)
Net cash (used in)/generated from operating activities		**(47,548,251)**	8,424,038
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for operating fixed assets		**(3,318,697)**	-
Payments for intangible asset		**(1,079,167)**	-
Net cash used in investing activities		**(4,397,864)**	-
CASH FLOW FROM FINANCING ACTIVITIES			
Subscription money received		-	100,000,000
Loan repayment/(disbursement) to chief executive-net		**7,350,000**	(7,350,000)
Loan from director		**17,370,753**	-
Net cash generated from financing activities		**24,720,753**	92,650,000
Net (decrease)/increase in cash and cash equivalents		**(27,225,363)**	101,074,038
Cash and cash equivalents at beginning of the year		**101,074,038**	-
Cash and cash equivalents at end of the year	11	**73,848,675**	101,074,038

The annexed notes from 1 to 28 form an integral part of these financial statements.

Chief Executive

Director

EASY FINANCE (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

1. Corporate and general information

1.1 Legal status and operations

Easy Finance (Private) Limited ("the Company") was incorporated on October 12, 2023, under the Companies Act, 2017. The Company is licensed to carry out Investment Finance Services as a Non-Banking Finance Company (NBFC) under Section 282C of the Companies Ordinance, 1984, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003, and the Non-Banking Finance Companies and Notified Entities Regulations, 2008. The Company is domiciled in Pakistan, and its registered office is situated at House No. 4B, Street No. 16, Block A, Naval Anchorage, Islamabad Capital Territory.

The principal business activity of the Company is to engage in Investment Finance Services and to conduct all operations, transactions, and activities directly or indirectly connected or incidental thereto.

In 2024, the license has been granted to undertake / carry out Investment Finance Services restricted to Digital Nano Lending, which is valid for a period of three years and is renewable every three years as specified by the NBFC rules and regulations.

2. Basis of preparation

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- The Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003, and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (here-in-after mentioned as "the NBFC rules and regulations");
- Directives issued by the Securities and Exchange Commission of Pakistan ("SECP"); and
- Provisions of and directives issued under the Companies Act, 2017.

Where the NBFC rules and regulations, directives issued by SECP and provisions of and directives issued under the Companies Act, 2017 differ from the IFRSs, the NBFC rules and regulations, directives issued by SECP and provisions of and directives issued under the Companies Act, 2017 have been followed.

During the previous year, the Board of Directors resolved to opt the "International Financial Reporting Standards" (IFRSs), as notified by the SECP, instead of the "International Financial Reporting Standard for Small and Medium-Sized Entities" (IFRS for SMEs), as notified by the SECP, for the preparation of the Company's financial statements, to meet the needs of users of the financial statements, enhanced reporting, data and system requirements, and corporate structure.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention except for certain items as disclosed in the relevant accounting policies below.

2.3 Functional and presentation currency

These financial statements are presented in Pakistani Rupees (Rs. / Rupees) which is the Company's functional currency. All amounts have been rounded off to the nearest of Rs. / Rupees, unless otherwise stated.

2.4 Key judgments and estimates

The preparation of financial statements is in conformity with the accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. In addition, it requires management to exercise judgment in the process of applying the Company's accounting policies. The areas involving a high degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are documented in the following accounting policies and notes, and relate primarily to:

- Useful lives, residual values and depreciation method of operating fixed assets - note 3.1
- Useful lives, residual values and amortization method of intangible asset – note 3.2
- Current income tax expense, provision for current tax and recognition of deferred tax asset (for carried forward tax losses) & levies - note 3.7
- Estimation of provisions – note 3.9
- Impairment of Expected Credit Loss – note 3.13
- Impairment of non-financial assets– note 3.15

The revisions to accounting estimates (if any) are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

2.5 New standards and amendments to approved accounting standards

2.5.1 Amendments to published accounting and reporting standards which are effective for the year ended June 30, 2025

There were certain amendments to accounting and reporting standards which became effective for the Company for the current year. However, these are considered not to be relevant or to have any significant impact on the Company's financial reporting and, therefore, have not been disclosed in these financial statements.

2.5.2 New accounting standards and amendments to standards not yet effective

Following Standards, interpretations and amendments to published approved accounting standards are effective for accounting periods beginning on or after the date mentioned against each to them:

		Effective for the period beginning on or after
IAS-21	**The Effects of changes in Foreign Exchange Rates** – Amendments regarding lack of Exchangeability.	January 01, 2025
IFRS-7 & IFRS-9	**Financial Instruments – Classification and Measurement of Financial Instruments and Disclosure** – Amendment introduce new disclosure requirements and update others.	January 01, 2026
IFRS-17	**Insurance Contracts**	January 01, 2026

The Company has assessed that the impact of these amendments is not expected to be significant.

2.5.3 **New Standards issued by IASB but not yet been notified / adopted by SECP**

Other than the aforesaid standards, interpretations and amendments, International Accounting Standards Board (IASB) has also issued the following standards and interpretation, which have not been notified locally or declared exempt by the Securities and Exchange Commission of Pakistan (SECP) as at June 30, 2025:

IFRS 1	First Time Adoption of IFRS
IFRIC 12	Service Concession Arrangement
IFRS 18	Presentation and Disclosures in Financial Statements
IFRS 19	Subsidiaries without Public Accountability: Disclosures

3. Material accounting policy information

The material accounting policy information adopted in the preparation of these financial statement are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

3.1. Operating fixed assets

Items of operating fixed assets are measured at cost less accumulated depreciation and impairment loss (if any). Cost of operating fixed assets comprises purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, and includes any costs directly attributable in bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

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

...company outlines a 'three-stage' model for impairment. This three-stage model is based on ... its initial recognition. Stage 3 is considered as 'non- ... and

Depreciation is charged to the statement of profit or loss so as to write off the cost or carrying amount of assets over their estimated useful lives, using reducing balance method at rates specified in note 4.

Depreciation on additions is charged from the date when the asset is available for use, while no depreciation is charged when an asset is derecognized upon disposal or when no future economic benefits are expected from its use or disposal.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount as referred in note 3.15.

Gains or losses arising on derecognition of an item of operating fixed asset is determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognized in the statement of profit or loss within other income or other expenses. The useful lives, residual values and depreciation method are reviewed on a regular basis. The effect of any changes in estimate is accounted for on a prospective basis.

3.2. **Intangible asset**

Intangible assets, other than goodwill, are measured at cost less accumulated amortization and accumulated impairment losses, if any. Cost comprise all directly attributable costs necessary to create, produce, and prepare the asset to be capable of operating in the manner intended by management. Amortization is charged so as to allocate the cost of assets over their estimated useful lives, using the reducing balance method at the rates specified in note 5 to the financial statements. Research expenditure is charged to 'administrative expenses' in the statement of profit or loss, as and when incurred and the development phase expenditure is recognized as an asset only if the criteria mentioned in the standard is met. The useful lives, residual values and amortization method are reviewed on a regular basis. The effect of any changes in estimate accounted for on a prospective basis.

3.3. **Cash and cash equivalents**

Cash and cash equivalents are carried at cost in the statement of financial position. For the purpose of statement of cash flows, cash and cash equivalents comprise of cash in hand and bank balances.

3.4. **Digital Nano Lending - net**

Digital Nano Lending comprises of unsecured short-term cash loan up to Rs 50,000 for the maximum tenor of 90 days through digital lending. The Company's objective for digital nano lending is to collect contractual cashflows and accordingly books income on as when earned. The Company classifies its outstanding exposure as performing (not past due – 0 days), under-performing (past due – 1-29 days) and non-performing loans (past due – 30 or more than 30 days). Digital nano lending is stated net of provision for underperforming and non-performing financing, if any, determined as per the policy of the Company.

The NBFC Regulations, under regulations 25 and 25 A, require 'specific' and 'general' provisions. The specific provision (on a time-based criteria) is required for the 'non-performing' financial assets, while general provision (equivalent to 1 per cent of the net outstanding unsecured finance portfolio) is for the underperforming financial assets.

The IFRS 9 ECL impairment compared with the provision calculated under the NBFC Regulations, at the portfolio level (rather than at individual borrower level).

The Company outlines a 'three-stage' model for impairment. This three-stage model is based on changes in credit quality of a financial asset, since its initial recognition. Stage 3 is considered as 'non-performing' (i.e. loan is credit impaired – default of borrower) category of financial assets and compared with provision calculated as per regulation 25 of the NBFC Regulations, while stage 1 and stage 2 are considered as performing and underperforming financial assets and compared with provision calculated as per regulation 25 A of the NBFC Regulations.

The classification of financial assets under the ECL model adopted by the Company is as follows:

Stage 1 – 12-month ECL (Performing)
Applies to performing financial assets with no significant increase in credit risk.
Stage 2 – Lifetime ECL (Underperforming)
Applies to financial assets with a significant increase in credit risk since initial recognition
Stage 3 – Lifetime ECL (Non-performing)
Applies to financial assets that are credit-impaired.

For details on impairment of financial assets, refer to note 3.13.

The Company recognizes the provision as per following criteria:

The Company recognise impairment at an amount that is higher of IFRS 9 Expected Credit Loss (ECL) and the NBFC Regulations. Any shortfall in IFRS 9 impairment when compared to the provisioning requirements of the NBFC Regulations, recognized in the statement of profit or loss. In this way, total provision for impairment, consequent to the adoption of IFRS 9 by the Company, not be less than provision that was being recognised as per the NBFC Regulations.

3.5. Other receivables

These are carried at fair value of the consideration to be received in future. An estimated provision is made against amounts considered doubtful of recovery whereas, amounts considered irrecoverable are written off.

3.6. Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

3.7. Taxation

The income tax expense or credit for the period is the tax payable / receivable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

3.7.1 Current tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

3.7.2 **Deferred tax**

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is recognise or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses and credits only if it is probable that future taxable amounts will be available to recognise those temporary differences and unused tax losses and credits. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

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

Further, the carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to reflect the current assessment of future taxable profits.

If required, the carrying amount of deferred tax asset is reduced to the extent that it is no longer probable that sufficient taxable profits to allow the benefit of part or all of that recognised deferred tax asset to be utilized. Any such reduction shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available.

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

3.8 **Levies**

Tax charged under Income Tax Ordinance, 2001 which is not based on taxable income or any amount paid / payable in excess of the calculation based on taxable income or any minimum tax which is not adjustable against future income tax liability is classified as levy in the statement of profit or loss and other comprehensive income as these levies fall under the scope of IFRIC 12/IAS 37.

3.9 **Provisions**

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past event and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. The Company reviews the status of all pending litigations and claims against the Company. Based on its judgment and the advice of the legal advisors/consultants for the estimated financial outcome, an appropriate disclosure or provision is made. The actual outcome of these litigations and claims can have an effect on the carrying amounts of the liabilities recognized at the statement of financial position date.

3.10 Contingent liabilities

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, whose existence will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of the Company; or the Company has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

3.11 Contingent assets

Contingent assets are disclosed when there is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognised until their realisation become virtually certain.

3.12 Financial instruments

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

a) Financial assets Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

b) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss financial assets at amortised cost (debt instruments)

i. **Financial assets at amortised cost (debt instruments)**

This category is the most relevant to the Company. The Company measures financial assets at amortised cost if both of the following conditions are met:

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

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

ii. **Financial assets at fair value through OCI (debt instruments)**

The Company measures debt instruments at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect
- contractual cash flows and selling; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognized in OCI is recycled to profit or loss.

Currently, the Company does not have any financial assets at fair value through OCI.

iii. **Financial assets designated at fair value through OCI (equity instruments)**

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: 'Presentation' and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Currently, the Company does not have any financial assets at fair value through OCI.

iv. **Financial assets at fair value through profit or loss**

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss. This category includes derivative instruments and listed equity investments which the Company had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are also recognised as other income in the statement of profit or loss when the right of payment has been established.

Currently, the Company does not have any financial assets at fair value through profit or loss.

c) **Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Company statement of financial position) when:

- The rights to receive cash flows from the asset have expired OR
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of its continuing involvement.

In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

3.13 **Impairment of financial assets**

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. An impairment loss is calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in the statement of profit or loss and moved to an impairment allowance account.

The Company assesses on a forward-looking basis the expected credit losses ('ECL') associated with its financial assets. The Company recognizes a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The Company computes historical loss rates using the historical credit losses which are then adjusted to reflect current and forward looking information. The Company recognises in the statement of profit or loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date. A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for significant increase in credit risk (SICR);
- Choosing appropriate models and assumptions for the measurement of ECL;
- Establishing the number and relative weightings of forward-looking scenarios for each type of market and the associated ECL.

8.

The Company recognizes loss allowance for expected credit losses (ECL) for the following financial instruments:

- Financials assets that are debt instruments;
- Loans and digital lending; and
- Bank balances

3.13.1 Significant increase in credit risk ("SICR")

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the instrument at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportable forward-looking information.

The following indicators are considered while assessing credit risk:

- Delinquency Status: All digital nano lending in which any instalment or part thereof is overdue for a period of more than 1 day or more at reporting date are classified under SICR.
- Qualitative indicators (e.g., deterioration in borrower behavior, digital platform risk scores).
- Forward-looking information relevant to digital lending and economic environment.

3.13.2 Definition of default

The Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

3.13.3 Measurement of Expected Credit Loss (ECL)

IFRS 9 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition. Expected credit loss is a probability weighted estimate of credit-impairment. It is measured as follows:

a) Financial assets that are not credit-impaired at the reporting date: As the present value of all cash shortfalls (i.e., the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive). IFRS 09 classifies such assets in the following classes:

   i. A financial instrument that is not credit-impaired on initial recognition is classified in 'Stage 1'. The credit risk of such financial instrument is continuously monitored by the Company.

   ii. If a significant increase in credit risk ('SICR') since initial recognition is identified, the financial instrument is moved to 'Stage 2'. A financial instrument in Stage 2 is not yet deemed to be credit impaired

b) Financial assets that are credit-impaired at the reporting date: As the difference between the gross carrying amount and the present value of estimated future cash flows. Such a financial instrument is moved to "Stage 3". Financial instruments in Stage 1 have their ECL measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months. Instruments in Stages 2 or 3 have their ECL measured based on expected credit losses on a lifetime basis.

8 **3.13.4 Explanation of inputs, assumptions and estimation techniques**

The Expected Credit Loss (ECL) is measured on either a 12-month (12M) or Lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit-impaired. Expected credit losses are the discounted product of the Probability of Default (PD), Exposure at Default (EAD), and Loss Given Default (LGD), defined as follows:

a) The PD represents the likelihood of a borrower defaulting on its financial obligation (as per "definition of default" above), either over the next 12 months (12M PD), or over the remaining lifetime (Lifetime PD) of the obligation. IFRS 9 allows relevant proxies using external sources. Since Company is limited by the availability of historical data, so the Company has used the default rates based on historical data which is then calibrated to forward looking PD using macro economic variables.

b) EAD is based on the amounts the Company expects to be owed at the time of default, over the next 12 months or over the remaining lifetime (Lifetime EAD). The expected amount to be drawn up is computed after adjustment of the appropriate credit factor.

c) Loss Given Default (LGD) represents the Company's expectation of the extent of loss on a defaulted exposure. LGD varies by type of financial instrument, counterparty, type and seniority of claim and availability of collateral or other credit support. LGD is expressed as a percentage loss per unit of exposure at the time of default (EAD). The Company has used an LGD percentage of 100% for un-secured claims.

The ECL is determined by projecting the PD, LGD and EAD for each future repayment date and for each individual exposure. These three components are multiplied together and adjusted for the likelihood of survival (i.e. the exposure has not prepaid or defaulted in an earlier month). This effectively calculates an ECL for each future repayment date, which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof. PDs have been calculated by using Historical Default Rates as a dependent variable.

3.13.5 Forward-looking information incorporated in the ECL model

The assessment of SICR and the calculation of ECL both incorporate forward-looking information. The Company has performed historical analysis and identified the key economic variables impacting credit risk and expected credit losses for each portfolio.

These economic variables and their associated impact on the PD, EAD and LGD vary by financial instrument. Forecasts of these economic variables (the "base economic scenario") are provided by the Company's Risk team on an annual basis and provide the best estimate view of the economy over the next five years.

The Company recognizes that IFRS 09 requires expected credit losses (ECL) to be estimated using an unbiased and probability-weighted approach. This means that the Company does not rely on a single economic forecast but instead considers a range of possible outcomes when estimating ECL. To incorporate forward-looking information, the Company considers key macroeconomic and digital sector and lending-specific indicators that have historically influenced credit risk and default probabilities. These macroeconomic indicators include but not limited to:

- Consumer Price Index (CPI)
- Gross Domestic Product (GDP)
- Interest Rate fluctuations
- Average mobile data cost or smartphone penetration
- Cybersecurity and fraud risk trends
- Mobile wallet transaction volumes and digital payment adoption rate

The Company's Risk Management team assesses the impact of these variables on credit risk and expected credit losses, using both internal and external sources of economic data.

3.13.6 Calculation of Impairment loss

When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss is reversed through profit or loss.

An impairment loss is recognized in profit or loss and is reversed if there has been a favorable change in the estimates used to determine the recoverable amount.

3.14 Financial liabilities

a) Initial recognition and measurement

Financial liabilities are classified in the following categories:

- fair value through profit or loss; and
- other financial liabilities.

The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value and, in case of other financial liabilities also include directly attributable transaction costs. The subsequent measurement of financial liabilities depends on their classification, as follows:

b) Subsequent measurement

i. Fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held-for-trading and financial liabilities designated upon initial recognition as being at fair value through profit or loss. The Company has not designated any financial liability upon recognition as being at fair value through profit or loss.

ii. Other financial liabilities

After initial recognition, interest-bearing other financial liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit or loss when the liabilities are derecognised as well as through the EIR amortization process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit or loss. This category generally applies to interest-bearing loans and borrowings. Currently, the Company does not have any interest bearing financial liability.

c) Derecognition

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

d) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.15 Impairment of non-financial assets other than deferred tax

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Units (CGUs).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognized in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU and then to reduce the carrying amounts of the other assets in the CGU on a pro-rata basis.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognized. A reversal of impairment loss for a cash-generating unit is allocated to the assets of the unit, except for goodwill, pro rata with the carrying amounts of those assets. The increase in the carrying amounts shall be treated as reversals of impairment losses for individual assets and recognised in profit or loss unless the asset is measured at a revalued amount. Any reversal of impairment loss of a revalued asset shall be treated as a revaluation increase.

3.16 Revenue recognition

Revenue comprises of the following:

a) Financial income / profit earned

Profit earned on digital nano lending is recognized in the statement of profit or loss using the interest rate applied to the principal amount over the entire period of the loan at time of the loan disbursed.

b) Penalty

Penalty is accrued on the principal amount of the loan disbursed at the rate of 2% per day on a time proportion basis.

c) Overdue charges

Overdue charges are recognized on the principal amount of the loan at the rate of 6%. These charges are levied as a one-time charged.

3.17 Other income

Income on bank deposits is accrued on a time proportion basis by reference to the principal outstanding and the applicable rate of return.

3.18 **Share capital**

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

3.19 **Related Party Transaction**

All transactions with related parties are entered into at arms' length basis determined in accordance with comparable uncontrolled price method.

3.20 **Dividend**

Dividend to ordinary shareholders is recognized as a deduction from accumulated profit in statement of changes in equity and as a liability in the Company's financial statements in the year in which it is declared by the Board of Directors and approved by the members.

3.21 **Short term leases and low-value assets**

The Company has elected not to recognize a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are charged to the statement of profit or loss as incurred.

	2025 Rupees	2024 Rupees
	2,851,982	-

4 Operating fixed assets

4.1. Reconciliation of ending balances by classes of assets is as follows:

	Cost				Accumulated depreciation			Carrying amount as at June 30, 2025
	As at July 01, 2024	Additions	As at June 30, 2025	Rate	As at July 01, 2024	For the year	As at June 30, 2025	
	Rupees	Rupees	Rupees	%	Rupees	Rupees	Rupees	Rupees
Office equipment	-	382,621	382,621	30%	-	22,694	22,694	359,927
Computers	-	2,627,742	2,627,742	30%	-	135,688	135,688	2,492,054
	-	3,010,363	3,010,363		-	158,382	158,382	2,851,982

4.2. The depreciation of operating fixed assets is allocated to following expenses.

	2025 Rupees	Period ended 12-Oct-23 to 30-Jun-24 Rupees
Cost of lending	142,688	-
Administrative expenses	15,694	-
	158,382	-

	Note	2025 Rupees	2024 Rupees
5. Intangible assets			
Net carrying value basis			
As at 01 July		-	-
Addition during the year		1,387,500	-
Amortization for the year		(308,333)	-
As at 30 June		1,079,167	-
Gross carrying value basis			
Cost		1,387,500	-
Accumulated amortization		(308,333)	-
As at 30 June	5.1	1,079,167	-
Remaining useful life (years)		2.33	-

5.1 The Company has developed an in-house mobile application "Loan Lado" for processing loan applications from the general public. The aggregate amount of research phase recognized as an expense during the year amounted to Rs. 0.46 million (2024: Rs. nil) (for details, refer to note 18).

	Note	2025 Rupees	2024 Rupees
6. Digital nano lending-net			
Considered good - performing loan	6.1	30,791,094	-
Digital Nano lending waived off		(2,640,483)	
		28,150,611	-
Less:- Expected credit loss	6.2	-	-
		28,150,611	-

6.1 The Company extends nano lending to borrowers, typically ranging between Rs. 500 to Rs. 25,000. These carry markup of 0.75% per day, fixed for a maximum period of 90 days. If the loan is settled within 24 hours of disbursement, no markup is charged. However, once the repayment period exceeds 24 hours, full markup is applied for the entire duration of loan, irrespective of the actual repayment date. The total markup charged on any loan shall not exceed the principal amount of the loan.

	Note	2025 Rupees	2024 Rupees
6.2 Movement for expected credit loss			
Balance as at 01 July		-	-
Recognized for the year		23,094,734	-
Written off during the year		(23,094,734)	-
		-	-

7. Profit receivable			
Considered good - performing	6.1	10,444,400	-
Profit waived off		(916,227)	
		9,528,173	-
Less:- Expected credit loss	7.1	-	
		9,528,173	-

7.1 Movement for expected credit loss			
Balance as at 01 July		-	-
Recognized for the year		8,923,771	-
Written off during the year		(8,923,771)	-
		-	-

8. Loan to chief executive	8.2	-	7,350,000

8.1 The Company extended a loan to its chief executive, Mr. Waqas Fazal. The loan is interest free.

		Note	2025 Rupees	2024 Rupees
8.2	**Reconciliation of loan to chief executive**			
	Balance as at 01 July		7,350,000	-
	Loan given		5,279,247	8,350,000
			12,629,247	8,350,000
	Repayment of loan		(12,629,247)	(1,000,000)
	Balance as at 30 June		-	7,350,000
9.	**Income tax due from Government - net**			
	As at July 01		1,591	-
	Tax deducted at source		1,757,946	1,641,448
	Reversal of advance tax		-	(135,888)
	Provision for taxation	21.1	(400,213)	(1,503,969)
	As at 30 June		1,359,324	1,591
10.	**Other receivables**			
	Accrued interest on deposits with banks		100,111	-
11.	**Cash and bank balances**			
	At banks:			
	-Current accounts			
	Deposits with micro finance banks		37,440,591	-
	Deposits with Islamic banks		25,557,459	-
			62,998,050	-
	-Saving accounts			
	Deposits with Islamic banks	11.1	10,822,351	101,074,038
	Cash in hand		28,273	-
			73,848,675	101,074,038

11.1 The balances in savings accounts are placed under mark-up arrangements and bear mark-up ranging from 5% to 7% per annum (2024: 6% to 8 %).

12. **Share capital**

12.1 **Authorized share capital**

	2025	2024
1,000,000 (2024: 1,000,000) ordinary shares of Rs. 100 each	100,000,000	100,000,000

12.2 **Issued, subscribed and paid up share capital**

	2025	2024
1,00,000 (2024: 1,00,000) voting ordinary shares of Rs. 100 each fully paid in cash	100,000,000	100,000,000

12.3 The shareholders are entitled to receive all distributions including dividends and other entitlements in the form of bonus and right shares as and when declared by the Company. All shares carry one vote per share without any restriction.

12.4 Ordinary shares of the Company held by related parties of the Company are as follows:

	2025		2024	
Description	**No of shares**	**%age**	No of shares	%age
Mr. Waqas Fazal	**930,000**	**93.00%**	930,000	93.00%
Mr. Muhammad Akram	**69,999**	**6.9999%**	69,999	6.9999%
Mr. Muhammad Ayub	**1**	**0.0001%**	1	0.0001%

12.5 The Company, in accordance with Rule 5(6)(e) of the Non-Banking Finance Companies Rules, 2003, has frozen the shares of Easy Finance (Private) Limited with the Central Depository Company dated May 02, 2024.

13 Loan from Directors

	Note	2025 Rupees	2024 Rupees
Mr. Waqas Fazal		12,928,212	-
Mr. Muhammad Akram		4,442,541	-
	13.1	17,370,753	-

13.1 This represents unsecured, contractual, interest free loan given by directors to meet on-going capital requirement of the Company dated 01 June 2025. This loan is repayable at the discretion of the Company. In line with the Technical Release - 32 (TR 32 - Accounting Directors' Loan) issued by the Institute of Chartered Accountants of Pakistan (ICAP), this loan is shown as part of equity.

14. Trade and other payables

	Note	2025 Rupees	2024 Rupees
Salaries and other benefits payable		2,528,213	-
Withholding tax payable		259,842	-
Accrued expenses	14.1	1,550,521	2,409,753
		4,338,576	2,409,753

14.1 This includes an amount payable to the director of the Company amounting to Rs. nil (2024: Rs. 2.4 million) in respect of expenses incurred on behalf of the Company.

15. Contingencies and commitments

15.1 Contingencies

The Company is not exposed to any material contingencies as at reporting date (2024: Rs. nil).

15.2 Commitments

The amount of future rental for lease of office (exclusive of WHT) premises and the period in which payments will become due are as follows:

	2025 Rupees	2024 Rupees
Not later than one year	3,200,000	-

16. Cost of lending

	Note	2025 Rupees	Period ended 12-Oct-23 to 30-Jun-24 Rupees
Salaries, wages and other benefits		5,682,437	
Jazz Cash Commission (loan disbursement)	16.1	922,711	-
Jazz Cash Commission (loan collection)	16.1	919,731	-
Depreciation of operating fixed assets	4.2	142,688	-
Amortization of intangible asset	5	308,333	-
Cloud services	16.2	376,136	-
Credit verification & due diligence	16.3	64,998	-
		8,417,034	-

16.1 The Company entered into an agreement with Mobilink Micro Finance Bank Limited (MMBL) for disbursement and collection of loans from the general public. The Company deposits funds into MMBL's main account through cross cheque, demand draft, RTGS, or pay order, and MMBL disburses amounts to parties either through Mobile Wallet, IBFT, or CNIC. MMBL charges commission at the rates of 0.5%, 0.7%, and 1%, respectively from main account at time of disbursement and at time of collection the MMBL shall credit the amount in account of Company net of 1% plus tax in case of Mobile Account transfer and 2.32% in case of Credit/Debit cards including FED.

16.2 This represents cybersecurity service package from Nayatel (Private) Limited.

16.3 As per Section 21(b) of the Non-Banking Companies and Notified Entities Regulations, 2008, in the case of nano financing, the NBFC is required to comply with the directives of the State Bank of Pakistan regarding membership of private credit bureaus under the Credit Bureaus Act, 2015 (XI of 2015). To comply with this requirement, the Company has entered into an agreement with Tasdeeq Information Services Limited (TISL), a licensed credit bureau, under which the Company submits credit information to the bureau. The credit bureau also provides value-added services to the Company and charges accordingly.

	Note	2025 Rupees	Period ended 12-Oct-23 to 30-Jun-24 Rupees
17. Impairment loss on financial assets			
Allowance for expected credit loss is written off as:			
-Digital nano lending	6.2	23,094,734	-
-Profit receivable	7.1	8,923,771	-
		32,018,505	-
Digital Nano lending waived off	6	2,640,483	-
Profit waived off	7	916,227	
		3,556,710	-
		35,575,215	-
18. Administrative expenses			
Salaries, wages and other benefits		4,352,132	1,100,000
Network & communication		654,082	325,269
Legal and professional charges		119,131	913,084
Recruitment commission		168,654	-
Internet charges		672,546	-
Rent, rate and taxes		76,999	-
Expense relating to short term leases	18.2	1,485,000	-
Entertainment		12,328	-
Security service		372,609	-
Repair & maintenance		161,870	-
Depreciation of operating fixed asset	4.2	15,694	-
Electricity charges		1,027,327	-
Pantry & kitchen supplies expense		181,493	-
Fuel expense		95,489	-
Miscellaneous expense		39,479	11,400
Auditors' remuneration	18.1	325,750	60,000
Printing & stationary		23,063	-
Research cost	5.1	462,500	-
		10,246,147	2,409,753
18.1 Auditors' remuneration			
Audit services			
Annual audit fee		100,000	60,000
Non-audit services			
Tax advisory services		225,750	-
		325,750	60,000

18.2 The Company entered into an agreement with a party for leasing office premises from April 2025 to March 2026 located at 620, G-1, M.A. Johar Town, Lahore. The Company leased the office for a fixed period of 11 months at a monthly rent of Rs. 400,000 (exclusive of WHT) payable in advance on the 10th of each month.

		2025 Rupees	Period ended 12-Oct-23 to 30-Jun-24 Rupees
19.	**Finance costs**		
	Bank charges	**5,336**	77,464
20.	**Other income**		
	Profit on bank deposits	**11,819,751**	10,007,062

21. **Levy**

This represents portion of minimum tax paid under section 113 of Income Tax Ordinance (ITO, 2001), representing levy in terms of requirements of IFRIC 21/IAS 37.

21.1 **Reconciliation of current tax charge charged as per tax laws for the year, with current tax recognised in the profit and loss**

	2025 Rupees	Period ended 12-Oct-23 to 30-Jun-24 Rupees
Current tax liability for the year as per applicable tax laws	**400,213**	1,503,969
Portion of current tax liability as per tax laws, representing income tax under IAS 12	-	(1,503,969)
Portion of current tax computed as per tax laws, representing levy in terms of requirements of IFRIC 21/IAS 37	**(400,213)**	-
	-	-

21.2 **Taxation**

Current year	21.1	-	1,503,969
Deferred tax	21.3	-	-
		-	1,503,969

21.3 Deferred tax has not been recognised as the amount of deferred tax assets does not meet the recognition criteria as laid down in "International Accounting Standards - 12" - Income Taxes. As per the assessment of the management of the Company, the taxable income of the Company will not fall under normal tax in the near future. Business taxable loss will lapse. Consequently, based on prudence principle, the Company has not recognized deferred tax assets of Rs. 2.218 million in respect of tax losses available for carry forward u/s 57 of Income Tax Ordinance, 2001, as sufficient tax profits would not be available to set these losses in foreseeable future.

21.4 In view of available income tax losses, tax charge for the year is based on Turnover Tax under Section 113 of the Income Tax Ordinance, 2001. Owing to accounting and tax losses, the reconciliation of average effective tax rate with applicable tax rate is not given.

22. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

22.1 Financial instruments - Risk Management

The Company is exposed through its operations to the following financial risks:
- Credit risk
- Fair value or cash flow interest rate risk
- Foreign exchange risk
- Other market price risk, and
- Liquidity risk.

The Board of Directors of the Company has the overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors is also responsible for developing and monitoring the Company's risk management policies. The Company's overall risk management programme focuses on having cost efficient funding as well as to manage financial risk to minimize earnings volatility and provide maximum return to shareholders.

Risk management is carried out by the Company's Finance Department under policies approved by the senior management and board of directions.

22.2 Principal financial instruments and its categories

The principal financial instruments used by the Company, from which financial instrument risk arises and its categories are as follows:

Financial assets	Note	2025 Rupees	2024 Rupees
At amortized cost:			
Digital nano lending-net	6	**28,150,611**	-
Profit receivable	7	**9,528,173**	-
Loan to chief executive	8	**-**	7,350,000
Other receivables	10	**100,111**	-
Cash and bank balances	11	**73,848,675**	101,074,038
		112,986,894	108,424,038
Financial liabilities			
At amortized cost:			
Trade and other payable	14	**1,550,521**	2,409,753

22.3 Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily digital nano lending), including deposits with banks and other financial instruments.

Customer credit risk is managed subject to the Company's established policy, procedures and control relating to customer credit risk management. To manage exposure to credit risk in respect of digital nano lending, management performs credit reviews taking into account the report of credit information bureau. Loan is disbursed after duly verifying the credit report of customer. Outstanding customer receivables are regularly monitored by using pricing policy for nano lending services.

Based on the subsequent position of borrowers, only performing digital nano lending receivables are fully recovered. All underperforming nano lending receivables are classified as non-performing and are immediately written off upon identification. Consequently, no impairment allowance is recognized for the performing nano lending receivables.

Concentrations of credit risk arise when a number of counterparties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. The Company's financial assets are broadly diversified and transactions are entered into with diverse credit worthy parties thereby mitigating any significant concentration risk. Therefore, the Company believes that it is not exposed to major concentration of credit risk.

The cash and bank balances represent low credit risk as major balances are placed with banks having credit ratings of A or above as assigned by PACRA or JCR-VIS. The analysis below summarises the credit quality of the Company's financial assets as at reporting date.

The bank balances along with credit rating tabulated below

Name of Bank	Short Term	Long Term	Rating	2025 Rupees	2024 Rupees
Dubai Islamic Bank Limited	A1+	AA	VIS	36,379,810	101,074,038
Mobilink Microfinance Bank Limited	A1	A	PACRA	37,440,591	-
				73,820,402	101,074,038

22.4 Liquidity risk

Liquidity risk is the risk that an enterprise will encounter difficulties in raising funds to meet commitments associated with the financial instruments. The management believes that it is not exposed to any significant level of liquidity risk.

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. For this purpose the Company has sufficient available support from directors to meet its liquidity requirements. Further liquidity position of the Company is closely monitored. The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date.

Contractual maturities of financial liabilities as at 30 June 2025

	Carrying amount	Less than 1 year	Between 1 to 5 years	More than 5 years
	Rupees	Rupees	Rupees	Rupees
Non-derivative financial liabilities:				
Trade and other payable	1,550,521	1,550,521	-	-

Contractual maturities of financial liabilities as at 30 June 2024

	Carrying amount	Less than 1 year	Between 1 to 5 years	More than 5 years
	Rupees	Rupees	Rupees	Rupees
Non-derivative financial liabilities:				
Trade and other payable	2,409,753	2,409,753	-	-

22.5 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

a) Currency risk

Currency risk is the risk that fair values or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises from sales, purchases and resulting balances that are denominated in a currency other than functional currency. The Company is not exposed to foreign currency risk as at the reporting date.

b) Interest rate risk

This represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. At the balance sheet date, the interest rate profile of the Company's interest bearing and non interest bearing financial instruments as at the reporting date are as follows:

	Note	2025 Rupees	2024 Rupees
Variable rate instruments			
Financial assets:			
Bank balance - saving account	11	10,822,351	101,074,038
Fixed rate instruments			
Financial assets:			
Digital nano lending-net	6	28,150,611	-

Cash flow sensitivity analysis for variable rate instruments

Presently, the Company has balance with banks that expose the Company to cash flow interest rate risk. In case of increase/decrease of KIBOR by 100 basis points on June 30, 2025, with all other variable held constant, the net assets and net income for the year would have been lower/higher by Rs. 0.18 million (2024: Rs. 1.01 million).

Cash flow sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect materially income for the year.

Sensitivity to interest rate risk arises from mismatches of financial assets and liabilities that mature in a given period. The Company manage the mismatches through risk management strategies where significant changes in gap position can be adjusted.

c) **Equity price risk**

Equity price risk represents the risk that the fair value of equity investments will fluctuate because of changes in levels of indices, whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instrument traded in the market. The Company is not exposed to equity price risk as at the reporting date.

22.6 Fair value measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms. The carrying amounts of all the financial instruments except mention below reflected in these financial statements approximate their fair value.

The fair value of the financial assets and liabilities is the amount at which the assets could be sold or the liability transferred in a current transaction between market participants at the reporting date, other than in a forced or liquidation sale.

IFRS 13, 'Fair Value Measurements' requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable either, directly or indirectly
Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data

Due to short term nature and maturities, the carrying amounts of all the financial instruments, reflected in these financial statements are a reasonable approximate of their fair value.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the transfers occur. However, there were no transfers amongst levels during the current and pervious year.

22.7 Offsetting financial assets and financial liabilities

As on 30 June 2025, recognized financial instruments are not subject to off setting as there are no enforceable master netting arrangements and similar agreements.

22.8 Capital risk management

The primary objective of the Company's capital management is to maintain capital ratios, strong credit rating and optimal capital structures in order to ensure ample availability of finance for its existing and potential investment projects, to maximize shareholder value and reduce the cost of capital. The Company manages its capital structure and makes adjustment to it, in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies and processes during the year last year. As at 30 June 2025, consistent with others in the industry and the requirements of the lenders, the Company monitors the capital structure on the basis of gearing ratio. However, as at 30 June 2024 & 30 June 2025 the Company remains ungeared.

23. Remuneration of Chief Executive and Director

No remuneration or other benefits have been charged in these financial statements in respect of the chief executive, director, or executives of the Company.

23.1 No fee or remuneration has been paid to the director of the Company for the year (2024: Rs. nil).

24. Transactions with related parties

Related parties comprise key management personnel. The Company in normal course of business carries out transactions with various related parties. Amounts due to / from related parties and compensation to the key management personnel are disclosed in respective notes to the financial statements. Details of transactions with related parties during the year, other than those which have been disclosed elsewhere in these financial statements, are as follows:

Relationship	Nature of transactions	2025	Period ended 12-Oct-23 to 30-Jun-24
		Rupees	Rupees
I. Key management			
	Reimbursement of operational expenses to Directors	**8,702,294**	-

24.1 Detail of compensation to other key management personnel comprising of chief executive officer, directors and executives are disclosed in (Note 23).

24.2 Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity. The Company considers all members of its management team, including the Chief Executive Officer and the Directors to be key management personnel.

24.3 Following are the related parties with whom the Company had entered into transactions or have arrangement / agreement in place:

Name of related parties	Basis of association	Aggregate % of shareholding
Mr. Waqas Fazal	Chief Executive	93%
Mr. Muhammad Akram	Director	7%

25. Number of Employees

As at June 30, 2025 the Company has following number of employees:

	2025 Number	2024 Number
Average number of employees	**41**	4
Number of employees as at 30 June	**72**	4

26. Corresponding figures

The corresponding figures have been rearranged and reclassified, wherever considered necessary, to comply with the requirements of Companies Act, 2017 and IFRSs. There were no significant reclassifications to these financial statements during the year.

27. General

The Company has not been able to obtain fiduciary insurance coverage for all of its employees as required under rule 9 of the NBFC Rules, 2003.

28. Date of Authorization for issue

These financial statements were authorized for issue on Oct 27, 2025 by the Board of Directors of the Company.

Chief Executive **Director**