BROKER MANAGEMENT RATING REPORT

Taurus Securities Limited

REPORT DATE:
August 11, 2026

RATING ANALYSTS:
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Rating Category	Latest Rating
Broker Management Rating	**BMR2+**
Rating Rationale	The rating reflects the Company's strong compliance and risk management framework, sound external and internal controls, adequate human resource and technological infrastructure, effective client relationship management, and adequate financial management and regulatory compliance.
Rating Date	August 11, 2026

APPLICABLE METHDOLOGY:

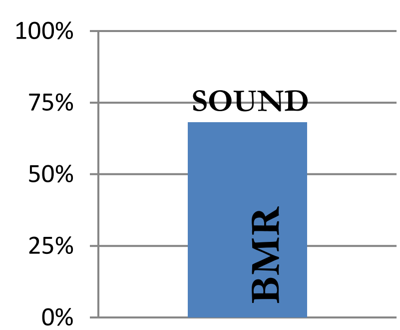
Broker Management Ratings:
https://docs.vis.com.pk/Methodologies%202024/Broker-Management.pdf

VIS Rating Scale
https://docs.vis.com.pk/docs/VISRatingScales.pdf

COMPANY INFORMATION	
Incorporated in 1993	**External auditors:** BDO Ebrahim and Co. Chartered Accountants
Public Unlisted Company	**Chairman of the Board:** Mr. Muhammad Ismail Usuf
Key Shareholders (with stake 5% or more):	**Chief Executive Officer:** Mr. Syed Zain Hussain
National Bank of Pakistan ~ 58.32%	
The Bank of Khyber ~ 30.0%	
Saudi Pak Industrial & Agricultural Inv. Co. Ltd.~ 8.33%	

Corporate Profile

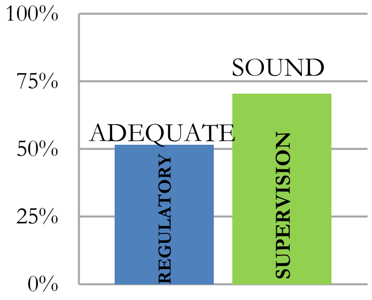
Taurus Securities Limited (TSL) is a public unlisted company incorporated in 1993, providing equity brokerage services and financial/economic data research analysis. Major shareholding of the company is vested with National Bank of Pakistan (NBP). The head office of the Company is located in Karachi, while a branch office is located in Peshawar. The Company provides both online and assisted trading services to its clients.



TSL holds Trading Rights Entitlement Certificate (TREC) granted by Pakistan Stock Exchange Limited (PSX), and is registered with SECP to provide Trading & Self Clearing Services. The Company is also the license holder of Pakistan Mercantile Exchange Limited (PMEX). External auditors of the Company are BDO Ebrahim and Co. Chartered Accountants. External auditors belong to category ‘A’ on the approved list of auditors published by the State Bank of Pakistan (SBP).

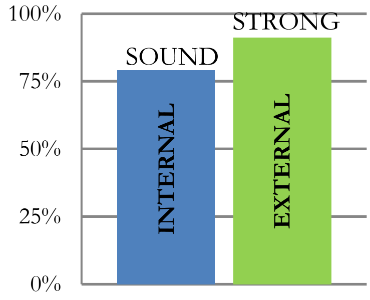
Rating Factors Scores

Regulatory Requirements & Supervision



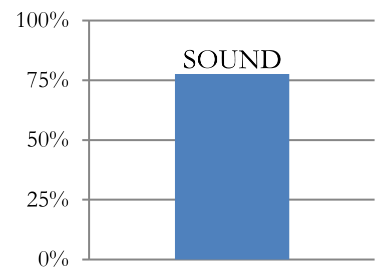
- The Company's ownership structure continues to be supported by a strong sponsor profile. The Company's governance framework is reinforced through a seven-member board of directors, including three independent directors. Additionally, the Company has four board committees in place.

Internal & External Control Framework



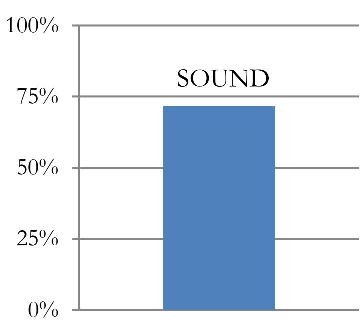
- Overall, the Company's internal control framework is considered sound. However, the Company may consider to further strengthen the scope of its internal policies to further enhance the internal control framework.
- External control framework of the Company is supported by sound disclosure levels.

Client Relationship & Fairplay



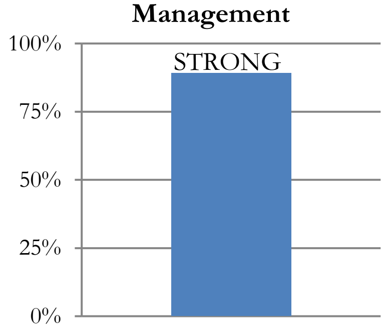
- Management and client servicing functions are considered sound, with adequate infrastructure and systems in place to support efficient client servicing and transaction execution.
- The Company may consider expanding its geographical footprint to further increase its market presence.

HR & Infrastructure



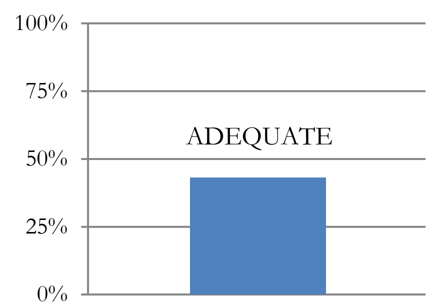
- The Company's HR and IT infrastructure is considered sound, with its organizational structure aligned with the scale and complexity of its operations.
- The Company has established contingency measures to support business continuity.

Compliance & Risk Management



- Overall, the Company's compliance and risk management framework is considered strong, with no regulatory penalty imposed during the review period.

Financial Management



- The Company's operating revenue exhibited healthy growth during CY25, increasing by ~33%, primarily driven by a significant rise in brokerage income, which continued to dominate the Company's revenue base. The momentum persisted in 1QCY26, reflecting continued growth in the brokerage business.
- While the Company's cost-to-income ratio improved to ~70% in 1QCY26 (CY25: ~74%; CY24: ~72%), it continues to remain on the higher side.
- The Company's liquidity profile remains adequate, with liquid assets providing 0.95x coverage of total liabilities as at Mar'25 (Dec'24: 1.09x; Dec'23: 0.97x). While the coverage ratio declined on a sequential basis, it remained broadly in line with historical levels.
- The Company does not undertake proprietary investments, thereby limiting its exposure to market risk. Furthermore, leverage, while remaining elevated, improved to 2.40x as at Mar'26 (Dec'25: 3.07x; Dec'24: 3.16x). Similarly, gearing declined to 0.34x (Dec'25: 0.65x; Dec'24: 0.68x), indicating a manageable debt position. The Company's debt profile comprises entirely short-term running finance facilities extended by the sponsor, with no long-term borrowings.

REGULATORY DISCLOSURES Appendix I

Name of Rated Entity	Taurus Securities Limited
Sector	Brokerage
Type of Relationship	Solicited
Purpose of Rating	Broker Management Rating (BMR)
Rating History	see table below
Instrument Structure	N/A
Statement by the Rating Team	VIS, the analysts involved in the rating process and members of its rating committee do not have any conflict of interest relating to the credit rating(s) mentioned herein. This rating is an opinion on credit quality only and is not a recommendation to buy or sell any securities.
Probability of Default	N/A
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Rating History

Rating Date	Rating	Rating Outlook	Rating Action
RATING TYPE: BMR			
11/08/2026	BMR2+	Stable	Reaffirmed
05/08/2025	BMR2+	Stable	Reaffirmed
28/06/2024	BMR2+	Stable	Reaffirmed
30/12/2022	BMR2+	Stable	Reaffirmed
15/09/2021	BMR2+	Stable	Initial