BROKER FIDUCIARY RATING REPORT

Taurus Securities Limited

REPORT DATE:

August 11, 2026

RATING ANALYSTS:

Shaheryar Khan
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RATING DETAILS	
Broker Fiduciary Rating	**BFR3++** *Good Fiduciary Standards*
Rating Rationale	The rating reflects strong governance, effective oversight of fiduciary responsibilities, sound client asset protection practices, and adequate operational and financial sustainability.
Rating Date	August 11, 2026

COMPANY INFORMATION	
Incorporated in 1993	**External auditors:** BDO Ebrahim and Co. Chartered Accountants
Public Unlisted Company	**Chairman of the Board:** Muhammad Ismail Usuf
	Chief Executive Officer: Syed Zain Hussain
Key Shareholders (with stake 5% or more):	
National Bank of Pakistan- 58.3%	
Bank of Khyber- 30.0%~	
Saudi Pak Industrial and Agricultural Investment Company Limited – 8.3%	

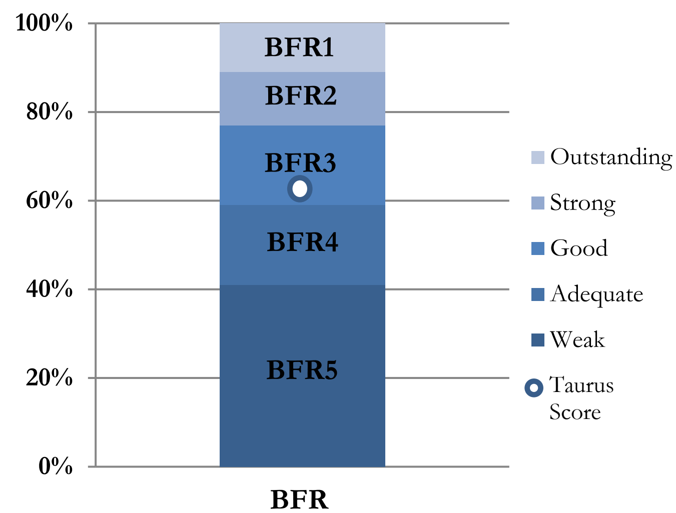
APPLICABLE METHODOLOGY
Applicable Rating Criteria: Broker Fiduciary Ratings: *https://docs.vis.com.pk/Methodologies-2025/BrokerFiduciaryRating-Nov25.pdf*
VIS Rating Scale *https://docs.vis.com.pk/docs/VISRatingScales.pdf*

Taurus Securities Limited

CORPORATE PROFILE

Taurus Securities Limited (TSL) is a public unlisted company incorporated in 1993. The Company offers equity brokerage services, complemented by financial and economic research. Majority ownership is vested with National Bank of Pakistan (NBP), a leading state-owned commercial bank. Operations are conducted through the head office in Karachi and a branch office in Peshawar, with services delivered via both online and assisted trading channels.

OVERALL GRADING



The Company possesses a Trading Rights Entitlement Certificate (TREC) for Trading and Self-Clearing Services issued by Pakistan Stock Exchange Limited (PSX) and also holds a brokerage license from Pakistan Mercantile Exchange Limited (PMEX). The statutory audit of TSL is conducted by M/s BDO Ebrahim & Co., Chartered Accountants, a firm classified in Category 'A' by the State Bank of Pakistan (SBP).

Business and Financial Sustainability Indicators

	1QCY26*	CY25	CY24
Size of Net Worth (Rs. In Millions)	418	400	360
Gearing x (total interest-bearing debt/ total equity)	0.34x	0.65x	0.68x
Leverage x (total liabilities/ total equity)	2.40x	3.07x	3.16x
Liquid Assets/ Total Liabilities (x)	1.00x	0.96x	1.09x
Short term Investments/ Total Equity (%)	-	-	-

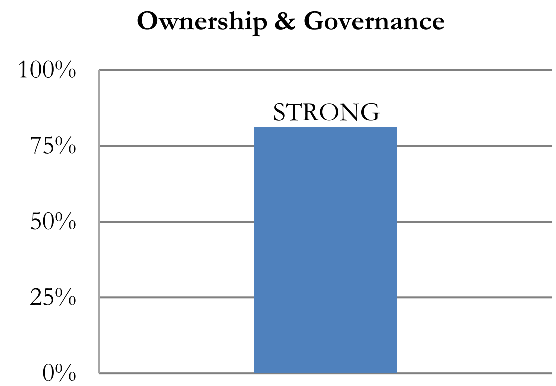
**Unaudited / Management accounts*

Taurus Securities Limited

Rating Indicators

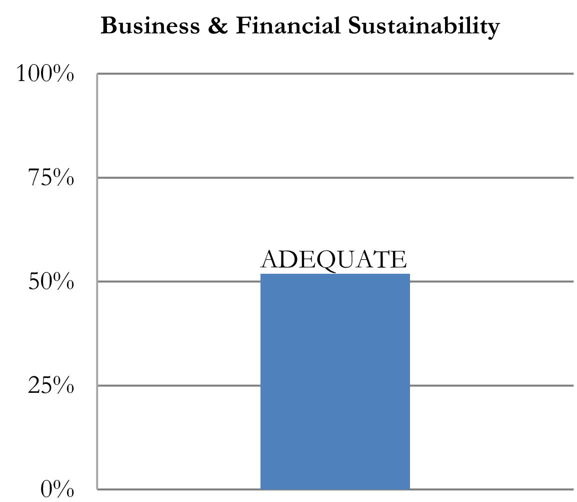
Ownership & Governance

- 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.
- Disclosure levels of the Company are considered sound.



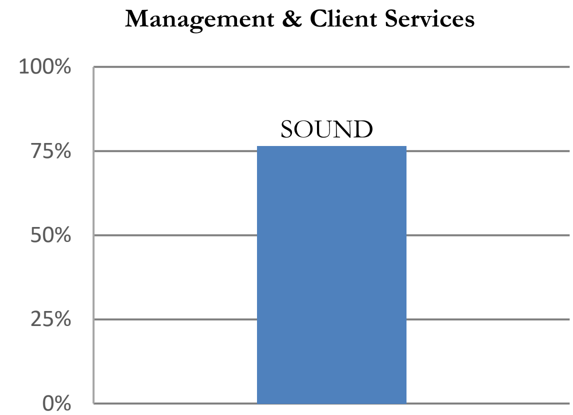
Business & Financial Sustainability

- 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 1.00x coverage of total liabilities as at Mar'26 (Dec'25: 0.96x; Dec'24: 1.09x).
- 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.
- Going forward, sustained growth in the Company's earnings profile, along with improvement in operational efficiency, liquidity and capitalization profile, will remain important rating considerations.



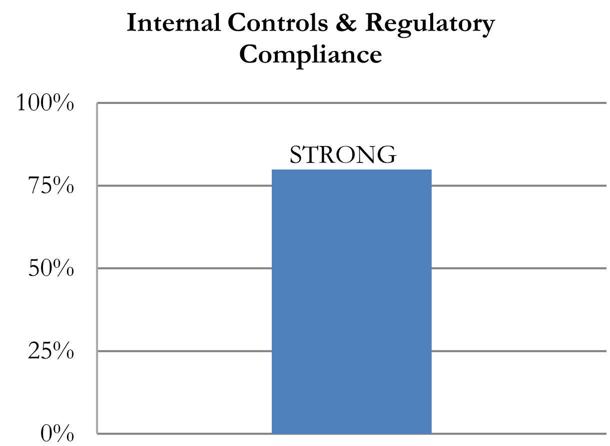
Management & Client Services

- 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.
- Contingency measures of the Company are in place to support business continuity.



Internal Controls & Regulatory Compliance

- Overall, the Company's internal control environment and regulatory compliance framework are considered strong. The Company may consider to further strengthen the scope of its internal policies to further enhance the internal control framework.
- No regulatory penalties have been imposed on the Company, supporting its regulatory compliance profile.



Broker Fiduciary Rating Explained

In Securities Broker Fiduciary Rating (SBF), the strength of fiduciary role of the securities brokers is captured through the relative financial strength of the securities broker firm and its sponsors along with depth of internal control and governance framework, which are key rating ingredients. Responsiveness of the risk and internal control structure, quality of HR and soundness of the business infrastructure determine the strength of management and level of service quality of a stock broker. VIS Credit Rating Co. Ltd. (VIS) has developed a rating system that evaluates brokerage firms on the basis of such practices and the systems instituted to safeguard investor interests are at the forefront

REGULATORY DISCLOSURES				Appendix I
Name of Rated Entity	Taurus Securities Limited			
Sector	Brokerage			
Type of Relationship	Solicited			
Purpose of Rating	Broker Fiduciary Rating (BFR)			
Rating History	**Rating Date**	**Rating**	**Rating Outlook**	**Rating Action**
	RATING TYPE: BFR			
	11/08/2026	BFR3++	Stable	Reaffirmed
	05/08/2025	BFR3++	Stable	Upgrade
	28/06/2024	BFR3+	Stable	Reaffirmed
	30/12/2022	BFR3+	Stable	Upgrade
	15/9/2021	BFR3	Stable	Initial
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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