

## BROKER FIDUCIARY RATING REPORT

### Integrated Equities Limited

**REPORT DATE:**

May 19, 2026

**RATING ANALYSTS:**

Shaheryar Khan Mangan

[shaheryar@vis.com.pk](mailto:shaheryar@vis.com.pk)

Zunain Arif

[zunain.arif@vis.com.pk](mailto:zunain.arif@vis.com.pk)

#### RATING DETAILS

Broker Fiduciary Rating	BFR2
<b>Rating Rationale</b>	The rating signifies sound Management & Client Services, Ownership & Governance, Internal Control and Regulatory Compliance as well as Business & Financial Sustainability.
<b>Rating Date</b>	May 19, 2026

#### COMPANY INFORMATION

<b>Incorporated in July 2008</b>	<b>External auditors:</b> BDO Ebrahim & Co. Chartered Accountants
<b>Unlisted Public Limited Company</b>	<b>Chief Executive Officer:</b> Mr. Sardar Ali Wattoo
<b>Key Shareholders (with stake 5% or more):</b>	<b>Chairman of the Board:</b> Mrs. Sadia Ali
<i>Mr. Sardar Ali Wattoo ~ 93%</i>	
<i>Ms. Sadia Ali ~ 7%</i>	

#### APPLICABLE METHODOLOGY

**Applicable Rating Criteria: Broker Fiduciary Ratings:**

<https://docs.vis.com.pk/Methodologies%202024/Broker-Fiduciary-Rating.pdf>

#### APPLICABLE RATING SCALE(S)

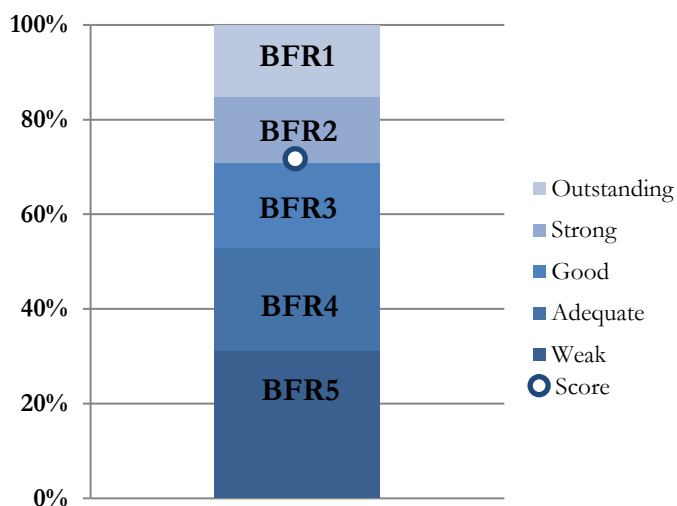
**VIS Issue/Issuer Rating Scale:**

<https://docs.vis.com.pk/docs/VISRatingScales.pdf>

**Integrated Equities Limited**

**CORPORATE PROFILE OVERALL GRADING**

Integrated Equities Limited (‘IEL’ or ‘the Company’) was incorporated in 2008 under the Companies Ordinance 1984 as a private limited company which was later converted to an unlisted public limited company in 2016. IEL is affiliated with the Aequis Group which came into existence with the acquisition of Pakistan Credit Rating Agency Limited (PACRA) in 2003. The group also includes other associated companies, such as Tasdeeq, Pakistan’s first licensed credit bureau, and Media Monitors Pakistan, which specializes in ad tracking, content monitoring, and media archiving. IEL offers equity brokerage, research, investment banking and project advisory services. Major shareholding of the Company (93%) is vested with Mr. Sardar Ali Wattoo who serves in the capacity of Chief Executive Officer (CEO).



The Company holds a Trading Right Entitlement Certificate (TREC) for Trading & Self- Clearing issued by the Pakistan Stock Exchange Limited (PSX). IEL is a licensed Consultant to the Issue, Securities Adviser, Futures Adviser, Underwriter, and Authorized Intermediary while it is also a registered Research Entity with SECP. External auditors of the company are BDO Ebrahim & Co. Chartered Accountants which belong to category ‘A’ on the approved list of auditors published by the State Bank of Pakistan (SBP).

**Business and Financial Sustainability Indicators**

	1HY26*	FY25	FY24
<b>Size of Net Worth (Rs. In Millions)</b>	625.5	481.5	307.3
<b>Gearing x (Total interest-bearing debt/ Total equity)</b>	0.01x	0.01x	0.02x
<b>Leverage x (Total liabilities/ Total equity)</b>	0.62x	0.63x	0.53x
<b>Liquid Assets/ Total Liabilities (x)</b>	1.39x	1.24x	1.11x
<b>Short term Investments/ Total Equity (%)</b>	12%	7%	2%

\*Unaudited Accounts

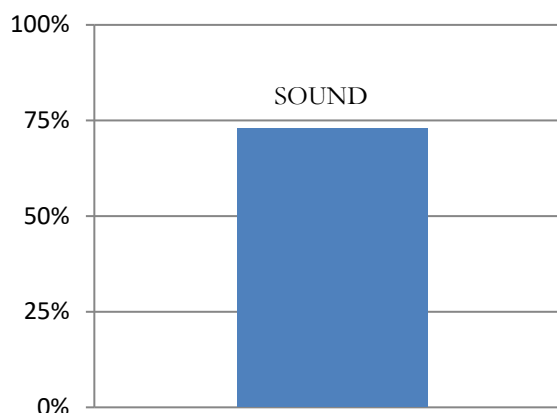
**Integrated Equities Limited**

**Rating Indicators**

**Ownership & Governance**

- The Company’s Board of Directors comprises five members, with only one independent director on the Board.
- The Company maintains two Board-level committees, namely Audit and Compliance & Risk Management. While both committees are chaired by the independent director, overlapping membership is observed across the committees.
- Increasing the Board size, along with ensuring diversified composition across Board committees, may further strengthen the Company’s governance framework.
- Disclosure levels of the Company are considered sound.

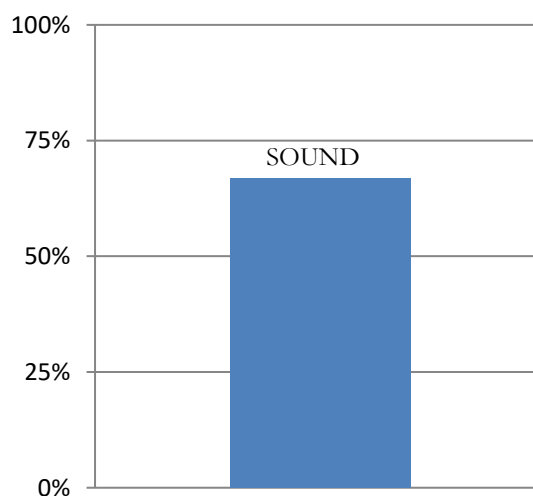
**Ownership & Governance**



**Business & Financial Sustainability**

- During FY25, the Company’s earning profile continued to witness growth, supported by higher brokerage revenue in line with the overall positive industry trend, along with an increase in income from advisory and consultancy operations, which accounted for ~35% of operating revenue. The upward trend in operating revenue has also persisted into 1HFY26.
- Amid the overall increase in revenue, the Company’s cost-to-income ratio, including capital gains, improved to 39.9% in 1HFY26 (FY25: 59.7%, FY24: 71.8%).
- The liquidity profile of the Company remains sound, with liquid assets providing 1.39x coverage of total liabilities as at Dec’25 (Jun’25: 1.24x, Jun’24: 1.11x).
- The Company’s market risk exposure remains minimal, given the nominal level of proprietary investments maintained. Short-term investments largely comprise strategic investments in the PACRA GEM Board, while long-term investments primarily represent strategic investments in associated concerns.
- The Company maintains a conservative capitalization profile, reflected in low gearing and leverage ratios, which stood at 0.01x and 0.62x, respectively, as at Dec’25 (Jun’25: 0.01x and 0.63x; Jun’24: 0.02x and 0.53x).
- Going forward, augmentation in revenue and profitability, along with maintenance of operational efficiency, liquidity and capitalization profile will remain important for the rating.

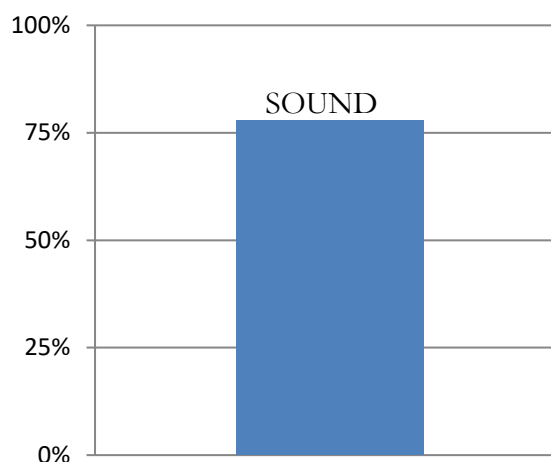
**Business & Financial Sustainability**



**Management & Client Services**

- Overall, the Company’s management and client servicing framework is considered sound, supported by ERP platforms acquired from Softech Systems (Pvt.) Limited for back-office operations and online trading facilities for seamless trade execution, with prompt alerts provided upon execution.
- Client services may be further strengthened through the availability of equity and daily market research reports on the website. Similarly, investor grievance procedures may be enhanced through greater visibility on the website.
- Contingency measures of the Company are in place. However, the Company may consider increasing the frequency of disaster recovery and business continuity exercises to further strengthen the framework.

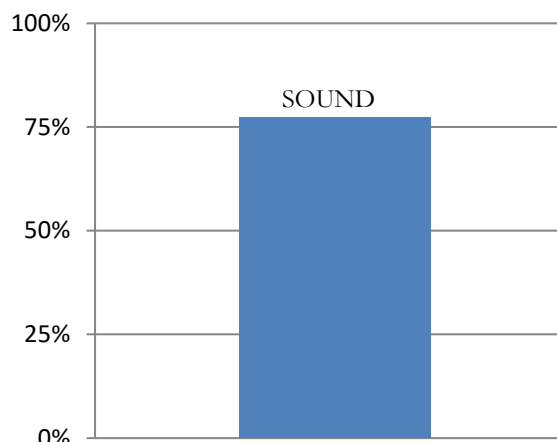
**Management & Client Services**



**Internal Controls & Regulatory Compliance**

- The Company’s internal control framework is considered sound, supported by internal policies in place and established mechanisms for the periodic review of overall internal control systems.
- Rating notes PSX regulatory observations dated June 12, 2025. Going forward, adherence to all applicable regulatory requirements will remain important for the rating.

**Internal Controls & Regulatory Compliance**



**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.*

**Integrated Equities Limited**

<b>REGULATORY DISCLOSURES</b>		<b>Appendix I</b>		
<b>Name of Rated Entity</b>	Integrated Equities Limited			
<b>Sector</b>	Brokerage			
<b>Type of Relationship</b>	Solicited			
<b>Purpose of Rating</b>	Broker Fiduciary Rating (BFR)			
<b>Rating History</b>	<b>Rating Date</b>	<b>Rating</b>	<b>Rating Outlook</b>	<b>Rating Action</b>
	<b>RATING TYPE: BFR</b>			
	05/19/2026	BFR2	Stable	Reaffirmed
	05/14/2025	BFR2	Stable	Upgrade
	19/03/2024	BFR3++	Stable	Reaffirmed
	03/03/2023	BFR3++	Stable	Reaffirmed
	23/02/2022	BFR3++	Stable	Initial
<b>Instrument Structure</b>	N/A			
<b>Statement by the Rating Team</b>	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.			
<b>Probability of Default</b>	NA.			
<b>Disclaimer</b>	Information herein was obtained from sources believed to be accurate and reliable; however, VIS does not guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Copyright 2026 VIS Credit Rating Company Limited. All rights reserved. Contents may be used by news media with credit to VIS.			