# BROKER FIDUCIARY RATING REPORT

# MRA Securities Limited

**REPORT DATE:**
August 12, 2026

**RATING ANALYSTS:**
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| RATING DETAILS | |
|---|---|
| **Broker Fiduciary Rating** | **BFR3++**<br>*Good Fiduciary Standards* |
| **Rating Rationale** | The rating reflects the Company's sound management practices, client service standards, and ownership and governance framework, while business and financial sustainability, and internal controls and regulatory compliance are considered adequate. |
| **Rating Action** | August 12, 2026 |

| COMPANY INFORMATION | |
|---|---|
| **Incorporated in 2001** | **External auditors:** M/s Rahman Sarfaraz Rahim Iqbal Rafiq Chartered Accountants |
| | **Chairman of the Board:** Muhammad Farhan |
| **Public Unlisted Company** | **Chief Executive Officer:** Mirza Muhammad Baig |
| **Key Shareholders (with stake 5% or more):** | |
| *Rafiq Family 93%~* | |
| *Haji Muhammad 7%~* | |

## APPLICABLE METHODOLOGY

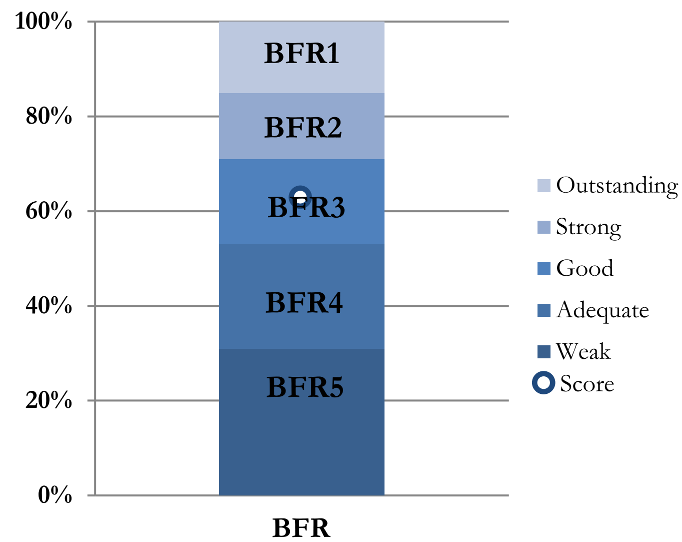
***Applicable Rating Criteria: Broker Fiduciary Ratings***
***https://docs.vis.com.pk/Methodologies-2025/BrokerFiduciaryRating-Nov25.pdf***
***VIS Rating Scale***
***https://docs.vis.com.pk/docs/VISRatingScales.pdf***

# MRA Securities Limited

## CORPORATE PROFILE

MRA Securities Limited is principally engaged in provision of equity brokerage Underwriting and Consultant to the issue services to domestic clients. Majority shareholding in MRA is vested with the Rafiq family. Currently, the brokerage operates through its head office based in Karachi and 7 branches in the same city, while one branch in Lahore. Operations at branch level are limited to brokerage services only.

## OVERALL GRADING




The Company holds a Trading and Self Clearing (TSC) entitlement certificate issued by the Pakistan Stock Exchange Limited. External auditors of the company are Rahman Sarfaraz Rahim Iqbal Rafiq Chartered Accountants as their external auditors who belong to category 'A' on State Bank of Pakistan's (SBP) approved list.

## Business and Financial Sustainability Indicators

| | 1HFY26* | FY25 | FY24 |
|---|---|---|---|
| **Size of Net Worth (Rs. In Millions)** | 2,856.1 | 2,320.9 | 1,871.5 |
| **Gearing x (total interest-bearing debt/ total equity)** | 0.74x | 0.89x | 0.80x |
| **Leverage x (total liabilities/ total equity)** | 1.59x | 1.61x | 1.29x |
| **Liquid Assets/ Total Liabilities (x)** | 0.52x | 0.49x | 0.74x |
| **Short term Investments/ Total Equity (%)** | 31.5% | 30.7% | 59.0% |

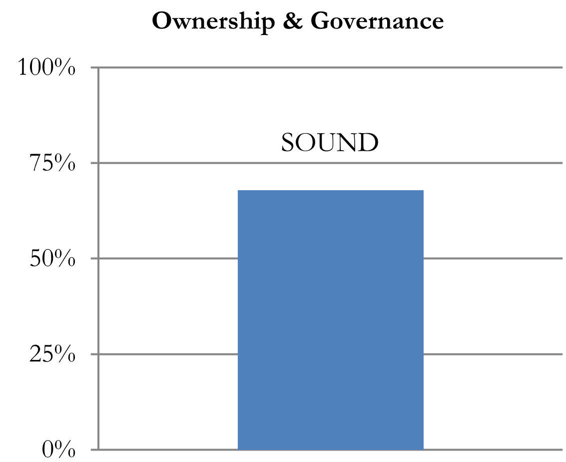
**Unaudited Accounts*

## MRA Securities Limited

# Rating Indicators

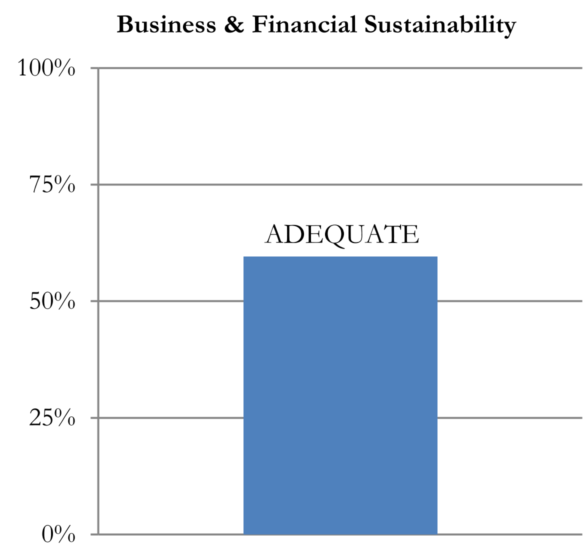
### Ownership & Governance

- While the Company's board is represented by four directors, having two independent directors provides support to its governance framework.
- The Company has four board committees, Audit, Risk Management, Investment, and HR committee, with each chaired by an independent director. However, repetition of members is observed across these committees.
- Further Expanding the size of the Board could further enhance the Company's governance framework and provide greater flexibility in the composition of Board committees, helping to reduce the repetition of members.
- The Company's disclosure levels are considered sound




### Business & Financial Sustainability

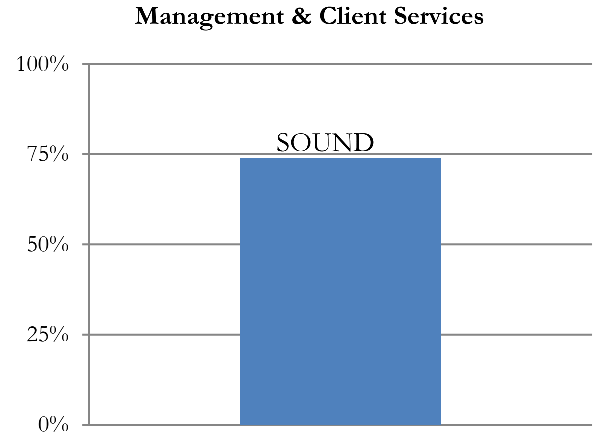
- The Company's revenue base continued to expand during FY25, supported by the bullish performance of the equity market, with the favorable trend continuing into 1HFY26.
- The Company's operational efficiency improved, as reflected by the decline in the cost-to-income ratio to ~47% in 1HFY26 (FY25: ~75% (FY24: ~73%).
- As at Dec'25, liquid assets covered 0.52x of the current liabilities (Jun'25: 0.49x, Jun'24: 0.73x), reflecting weak coverage.
- Investments in quoted equity securities accounted for 31.5% of the Company's equity base as at Dec'25 (Jun'25: 30.7%: Jun'24: 59.0%), indicating lower exposure to market risk.
- Capitalization indicators of the Company is considered as manageable, with gearing and leverage ratios standing at 0.74x and 1.59x as at Dec'25 (Jun'25: 0.89x and 1.61x, Jun'24: 0.80x and 1.29x) respectively.
- Going forward, continued enhancement in profitability and revenue base, along with improvement in gearing and leverage



indicators as well as liquidity profile will be important for the rating.

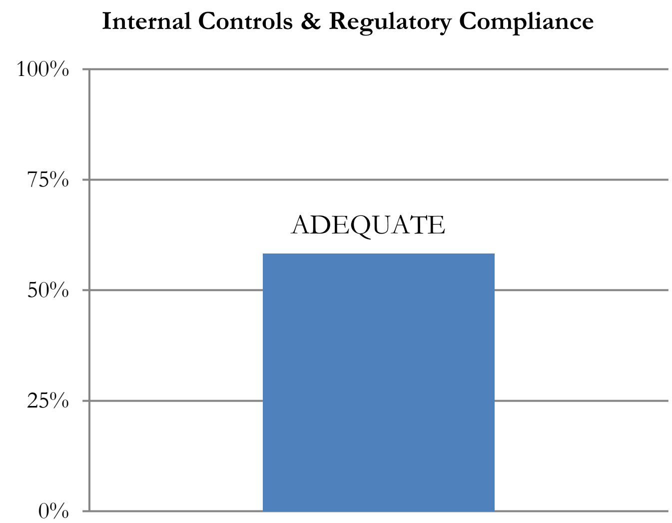
## Management & Client Services

- The Company's management and client service procedures are assessed as sound, with an ERP platform in place to support back-office operations, along with an online trading platform that enables clients to execute transactions seamlessly.
- An SMS based complain lodging mechanism is also operational and clients may approach the Company via a WhatsApp link available on the website
- Furthermore, the Company may consider increasing its geographical footprint to broaden its outreach and further strengthen its market positioning.
- Contingency measures are in place to support business continuity and operations. However, the Company may consider maintaining an offsite backup of records at a third-party warehouse.




## Internal Controls & Regulatory Compliance

- The Company's internal control framework may be further strengthened through expansion of the scope and coverage of its internal policies.
- Adherence to all applicable regulatory requirements will remain an important consideration from the ratings perspective.




**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 II

| | |
|---|---|
| **Name of Rated Entity** | MRA Securities Limited |
| **Sector** | Brokerage |
| **Type of Relationship** | Solicited |
| **Purpose of Rating** | Broker Fiduciary Rating (BFR) |
| **Rating History** | |
| **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: BFR** | | | |
| 12/08/2026 | BFR3++ | Stable | Maintained |
| 23/07/2025 | BFR3++ | Negative | Maintained |
| 13/05/2024 | BFR3++ | Stable | Upgrade |
| 14/11/2022 | BFR3+ | Negative | Maintained |
| 18/10/2021 | BFR3+ | Stable | Initial |