BROKER FIDUCIARY RATING REPORT

Multiline Securities Limited

REPORT DATE:

20 August, 2026

RATING ANALYSTS:
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RATING DETAILS	
Broker Fiduciary Rating	**BFR3+**
Rating Rationale	The rating signifies sound ownership and governance and management & client services, while business and financial sustainability, internal control framework & regulatory compliance are considered adequate.
Rating Date	20 August, 2026

COMPANY INFORMATION	
Incorporated in 2001	**External auditors:** M/s Rahman Sarfaraz Rahim Iqbal Rafiq Chartered Accountants
Public unlisted Company	**Chairman of the Board:** Mr. Haji Masood Parekh
Key Shareholders (with stake 5% or more):	**Chief Executive Officer:** Mr. Muhammad Hanif Moosa Dharwarwala
Mr. Muhammad Hanif Moosa Dharwarwala~ 99.96%	

APPLICABLE METHODOLOGY

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

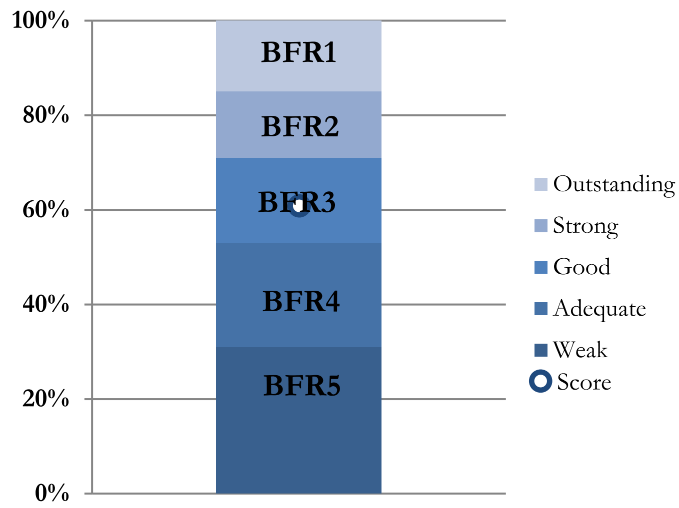
APPLICABLE RATING SCALE(S)

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

CORPORATE PROFILE

Multiline Securities Limited (MSL) is a public unlisted company offering share brokerage, investment and portfolio management services to both retail and foreign institutional clients. The company is also a member of Pakistan Mercantile Exchange Ltd (PMEX). Furthermore, MSL's operations run through its registered offices in Karachi.

OVERALL GRADING



The company holds a Trading Right Entitlement Certificate (TREC) issued by the Pakistan Stock Exchange Limited (PSX) since 2001. The Company is also a member of the Pakistan Mercantile Exchange Limited (PMEX). External auditors of the company are M/s Rahman Sarfaraz Rahim Iqbal Rafiq Chartered Accountants. Auditors are on the approved list of auditors published by the State Bank of Pakistan.

Business and Financial Sustainability Indicators

	HFY26*	FY25	FY24
Size of Net Worth (Rs. In Millions)	1,535	1,221	952
Gearing x (total interest-bearing debt/ total equity)	-	-	-
Leverage x (total liabilities/ total equity)	0.36x	0.39x	0.29x
Liquid Assets/ Total Liabilities (x)	2.32x	2.21x	3.29x
Short term Investments/ Total Equity (%)	57.42%	48.22%	52.89%

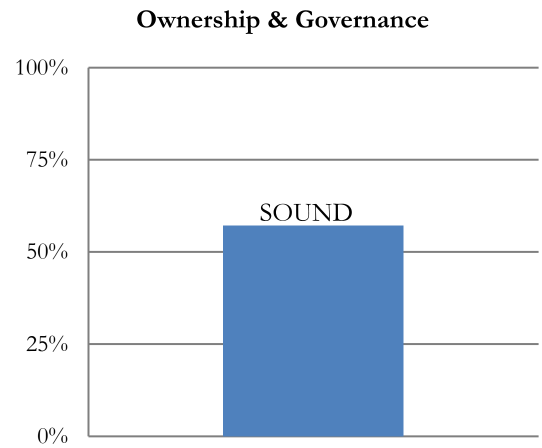
**Unaudited Accounts*

Multiline Securities Limited

Rating Indicators

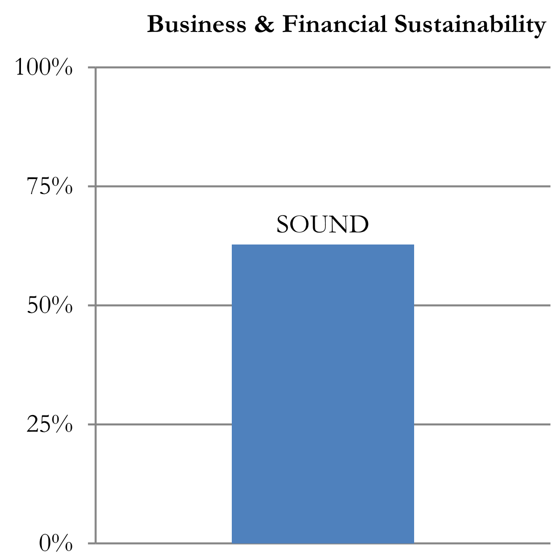
Ownership & Governance

- The Company's Board of Directors comprises four members. The governance framework is further supported by two Board committees, namely the Audit Committee and the Risk Management Committee. However, overlap in the membership of these committees is observed.
- The governance framework may be further strengthened through an increase in Board size, along with the induction of independent and certified directors.
- The Company maintains sound disclosure levels.



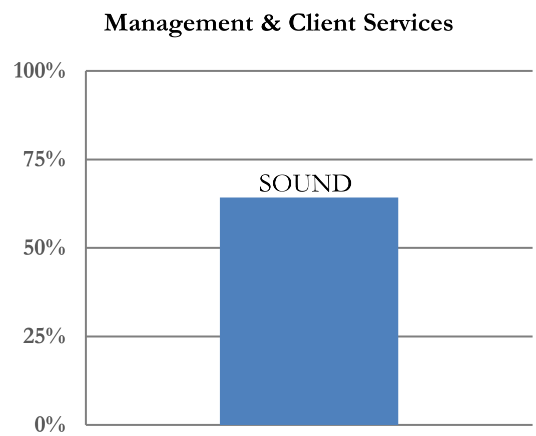
Business & Financial Sustainability

- During FY25, the Company's brokerage revenue recorded a significant increase, in line with strong performance in the equity market. The brokerage segment remains the primary contributor to the Company's revenue mix. The Company continued to exhibit positive trend in its revenue in HFY26.
- The Company's cost-to-income ratio remained elevated at ~82% in 9MFY26 (FY25: ~83%, FY24: ~80%).
- Liquidity profile of the Company remains sound despite the weakening, with liquid assets covering 2.32x of total liabilities as at Dec'25 (Jun'25: 2.21x, Jun'24: 3.29x)
- Market risk of the Company is considered moderate, with short term investments representing ~58% of the Company's equity as at Dec'25 (Jun'25: ~48%, Jun'24: ~53%).
- The capitalization profile of the Company draws support by a low-leveraged balance sheet and a sizeable equity, with leverage reported at 0.36x as at Dec'25 (Jun'25: 0.39x, Jun'24: 0.29x).
- Going forward, sustained growth in the Company's earnings profile, along with improvement in operational efficiency, and maintenance of liquidity and capitalization profile, will remain important rating considerations.



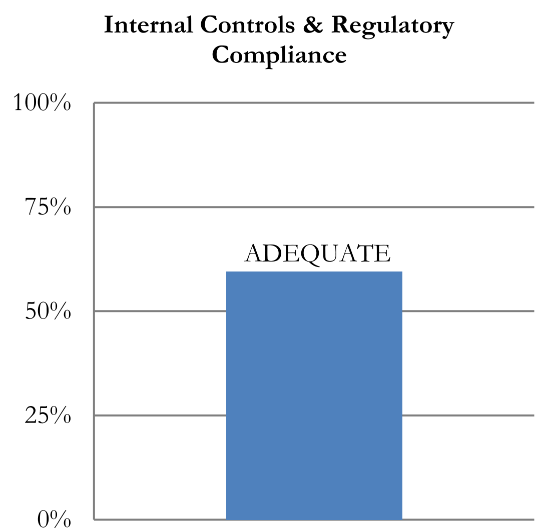
Management & Client Services

- Management and client services of the Company are considered sound, with ERP platforms in place to support its back-office operations and online trading platform in place.
- The Company's client service framework is further supported by an SMS-enabled complaint lodging mechanism, along with prompt trade alerts upon execution of trades.
- However, client service may be further enhanced through the provision of up-to-date research material on the Company's website.
- Also, client grievance procedure may be further enhanced for greater visibility on website.
- While contingency arrangements are in place, outsourcing offsite backups to a third-party warehouse along with conducting frequent disaster recovery exercise may further strengthen these measures.



Internal Controls & Regulatory Compliance

- The Company's internal controls and regulatory compliance framework are considered adequate. However, the scope of the Company's internal policies may be further enhanced.
- Adherence to all applicable regulatory requirements will remain important for the assigned rating.



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.

Multiline Securities Limited

REGULATORY DISCLOSURES	**Appendix I**
Name of Rated Entity	Multiline 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
Disclaimer	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. Contents may be used by news media with credit to VIS.

Rating History:

Rating Date	Rating	Rating Outlook	Rating Action
RATING TYPE: BFR			
20/08/2026	BFR3+	Stable	Reaffirmed
31/07/2025	BFR3+	Stable	Reaffirmed
09/07/2024	BFR3+	Stable	Reaffirmed
02/05/2023	BFR3+	Stable	Initial