

BROKER FIDUCIARY RATING REPORT

Fortune Securities Limited

REPORT DATE:

September 29, 2026

RATING ANALYSTS:

Azeem Khan

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RATING DETAILS

Broker Fiduciary Rating**BFR3***Good Fiduciary Standards***Rating Rationale**

The rating signifies adequate business & financial sustainability as well as ownership & governance framework. Management & client services, and internal controls & regulatory framework are considered sound.

Rating Date

September 29, 2026

COMPANY INFORMATION

Incorporated in 1994**External auditors:** M/s Naveed Zafar Ashfaq Jaffery & Co. – Chartered Accountants**Public Unquoted Company****Chairman of the Board:** Mr. Anis ur Rahman**Key Shareholders (with stake 5% or more):****Chief Executive Officer:** Mr. Anis ur Rahman*Mr. Anis Ur Rahman ~48.67%**Ms. Shamama Arif Rahman ~43.33%**Mr. Nabeel Tajammal ~5.33%*

APPLICABLE RATING SCALE(S)

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

APPLICABLE METHODOLOGY

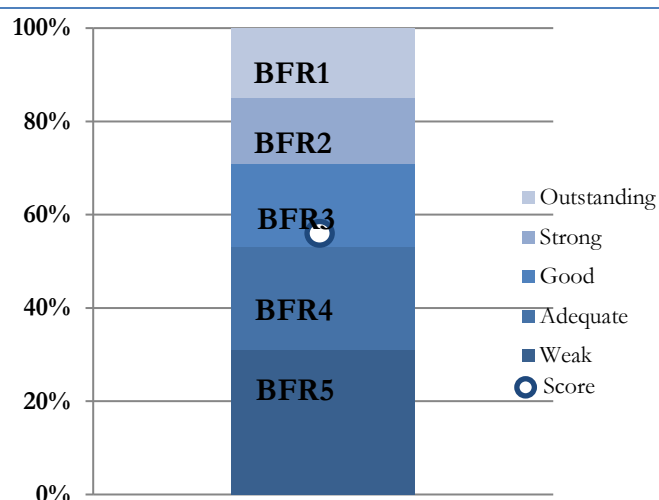
Applicable Rating Criteria: Broker Fiduciary Ratings:<https://docs.vis.com.pk/Methodologies-2025/BrokerFiduciaryRating-Nov25.pdf>

Fortune Securities Limited

CORPORATE PROFILE

Fortune Securities Limited (FSL) is a public unlisted company incorporated in 1994. The company is principally engaged in brokerage of shares, securities, securities, commodities, research and other financial instruments. Major shareholding of the company is vested with Anis Ur Rahman, who serves as the Chief Executive Officer of the Company. FSL runs its operations through its registered office located in Karachi.

OVERALL GRADING



FSL has a TREC (Trading Right Entitlement Certificate) for Trading and Self-Clearing Services granted by Pakistan Stock Exchange Limited (PSX). External auditors of the company are M/s Naveed Zafar Ashfaq Jaffery & Co. Chartered Accountants. Auditors belong to category 'A' on the approved list of auditors published by the State Bank of Pakistan (SBP).

Business and Financial Sustainability Indicators

	FY26*	FY25	FY24
Net Worth (PKR in Millions)	310	270.7	170.3
Gearing x (Total interest-bearing debt/ Total equity)	0.00x	0.02x	0.45x
Leverage x (Total liabilities/ Total equity)	1.07x	0.78x	2.42x
Liquid Assets/ Total Liabilities (x)	1.25x	1.13x	0.33x
Short term Investments/ Total Equity (%)	0.8%	0.8%	2.1%

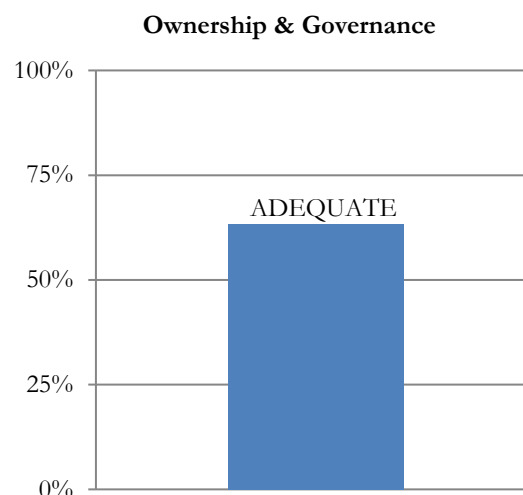
*Unaudited Accounts

Fortune Securities Limited

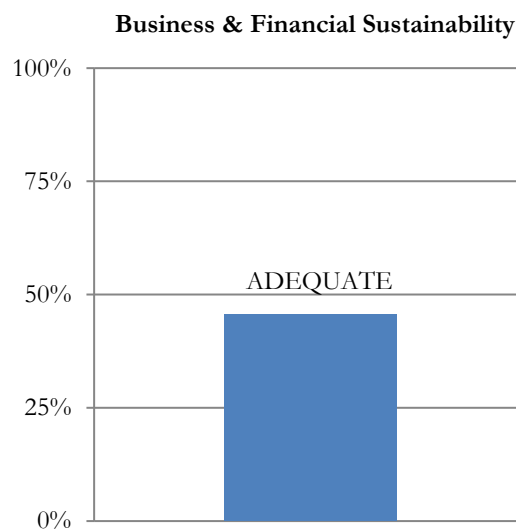
Rating Indicators

Ownership & Governance

- The Company currently has a three-member Board of Directors, with no independent directors. The governance framework may be further strengthened by increasing the Board size and inducting suitably qualified and certified independent directors to enhance Board oversight, accountability, and governance effectiveness.
- The Company has constituted four Board committees, including the Audit, Risk Management, Investment, and Human Resource Committees. An increase in Board size may allow for broader and more diversified committee representation, thereby supporting effective oversight and governance.
- Disclosure levels of the Company are considered sound.

**Business & Financial Sustainability**

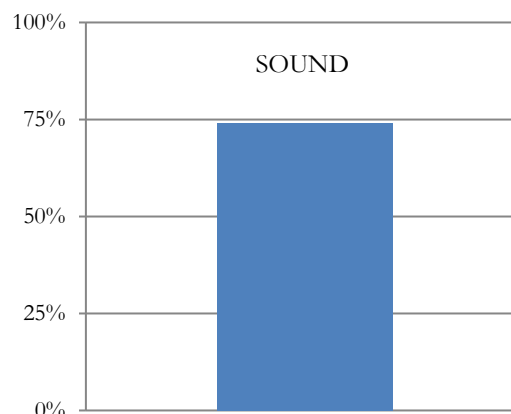
- During FY25 and FY26, the Company recorded growth in brokerage revenue, supported by the overall upward trend observed in the industry.
- The decline in the cost-to-income from 143.8% in FY24 to 69.2% in FY25 indicates a significant improvement in operating efficiency, while the subsequent increase to 82.9% in FY26 reflects some moderation in efficiency.
- Liquidity profile of the Company has improved, with liquid assets coverage against total liabilities at 1.25x as at Jun'26 (Jun'25: 1.13x, Jun'24: 0.33x).
- The Company's exposure to market risk remains limited with limited proprietary trading transactions.
- The Company's capitalization profile is supported by debt free balance sheet, while the gearing and leverage ratios standing at 0.00x and 1.07x as at Jun'26 (Jun'25: 0.02x and 0.78x, Jun'24: 0.45x and 2.42x) respectively.
- Going forward, rating will remain sensitive to the Company's ability to sustain revenue/profitability growth while maintaining adequate liquidity and strengthening its capitalization profile.



Management & Client Services

- The Company's client servicing framework is supported by mobile and web-based trading platforms, facilitating seamless trade execution. Enhancing the visibility of the client grievance mechanism on the Company's website may further improve client awareness and accessibility.
- The Company's disaster recovery framework may be further strengthened through the establishment of offsite backup arrangements with a third-party facility.

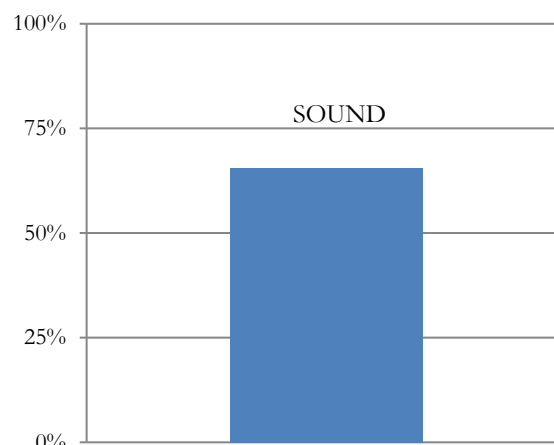
Management & Client Services



Internal Controls & Regulatory Compliance

- While the Company has established internal policies across its operations, further broadening their scope and enhancing their comprehensiveness may strengthen the overall internal control framework and support more effective control and oversight.
- Effective dissemination of the Company's conflict-of-interest policy among employees and clients may further strengthen its internal control framework and promote greater transparency.
- The Company has independently functioned Internal Audit and Compliance departments, which contribute positively to its internal control environment.
- Non-compliance highlighted by PSX and the penalty imposed thereon, have been duly noted. Going forward, adherence to all applicable regulations 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.

Fortune Securities Limited

REGULATORY DISCLOSURES			Appendix II	
Name of Rated Entity	Fortune 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			
	09/29/26	BFR3	Reaffirmed	BFR3
	09/17/2025	BFR3	Stable	Initial
	10/24/2022	-	-	Withdrawn
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	VIS’ ratings opinions express ordinal ranking of risk, from strongest to weakest, within a universe of credit risk. Ratings are not intended as guarantees of credit quality or as exact measures of the probability that a particular issuer or particular debt issue will default.			
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