

## CDC SHARE REGISTRAR SERVICES LIMITED

### Analysts:

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### RATING DETAILS

RATINGS CATEGORY	Initial Rating	
	Long-term	Short-term
ENTITY	AA-	A1
RATING OUTLOOK/ WATCH	Stable	
RATING ACTION	Initial	
RATING DATE	June 29, 2026	

### Shareholding (5% or More)

Central Depository Company of Pakistan Limited (CDC) – 100%

### Other Information

Incorporated in 2019

Public Limited Company (Unlisted)

Chief Executive: Mr. Abdul Samad

External Auditor: Grant Thornton Anjum Rahman

### Applicable Rating Methodology

VIS Entity Rating Criteria Methodology – Corporate Ratings  
<https://docs.vis.com.pk/docs/CorporateMethodology.pdf>

### Rating Scale

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

### Rating Rationale

Assigned ratings reflect CDC Share Registrar Services Limited's ('CDCSR' or the 'Company') strong ownership and strategic linkage with Central Depository Company of Pakistan Limited (CDC), the country's sole central securities depository and a systemically important financial market infrastructure institution. The association provides significant operational, governance, technological, and reputational advantages. Additional comfort is derived from CDC's strong shareholder base, comprising of leading financial institutions, commercial banks, and capital market entities, which reinforces the stability and credibility of the overall group. Ratings also incorporate CDCSR's leading position in Pakistan's share registrar industry, supported by its established service networks, growing market share, and diversified service offerings. Financially, the Company demonstrates strong profitability, supported by healthy operating margins, sustained earnings growth, and a sizeable portfolio of liquid investments. The financial risk profile remains low, underpinned by a debt-free capital structure, strong liquidity indicators, and adequate capitalization supported through profit retention. The ratings also reflect experienced management, sound governance practices, and effective risk management systems.

## Company Profile

CDC Share Registrar Services Limited ('CDCSR' or the 'Company') is a wholly owned subsidiary of Central Depository Company of Pakistan Limited (CDC), Pakistan's sole central securities depository established under the Central Depositories Act, 1997. CDC plays a pivotal role in the country's capital market infrastructure by providing electronic custody and settlement services for securities traded on the Pakistan Stock Exchange (PSX). The Share Registrar Services business was initially launched as a department within CDC in 2008 and was subsequently incorporated as a separate wholly owned subsidiary in 2019 under the name CDC Share Registrar Services Limited.

Over the years, CDCSR has established itself as one of the leading share registrar service providers in Pakistan, serving over 357 corporate clients across diverse sectors. The Company operates under a Share Registrar and Balloter License renewed by the Securities and Exchange Commission of Pakistan (SECP) on December 19, 2025, and also holds a Debt Securities Trustee License. The Company offers a comprehensive suite of registrar, transfer agent, investor servicing, and corporate support solutions through a technology-driven operating platform supported by robust information security controls, workflow automation, disaster recovery arrangements, and business continuity frameworks. Its nationwide service network includes customer facilitation centers in Karachi, Lahore, and Islamabad, complemented by a dedicated call center and centralized customer support infrastructure.

CDCSR's service portfolio includes maintenance and management of shareholders' records, transfer and transmission of securities, processing of corporate actions such as cash dividends, bonus and rights issues, debt securities redemption and profit payments, as well as support for annual and extraordinary general meetings, including attendance management, director elections, and polling services. The Company also provides corporate secretarial services, IPO management support, maintenance of computerized members' registers, issuance and management of physical share certificates, custody of undelivered securities documents, and preparation of shareholder-related reports for client companies. In addition, CDCSR offers a range of digital and value-added services, including e-voting, e-meetings, e-dividend reconciliation, electronic stamp duty payment solutions, centralized customer service portals, compliance support, and corporate briefing facilitation. CDCSR maintains internationally recognized ISO/IEC 27001 (Information Security Management System) and ISO 22301 (Business Continuity Management System) certifications, supporting operational resilience, information security, and service excellence.

## Sponsor Profile

Central Depository Company of Pakistan Limited (CDC) is Pakistan's premier securities depository institution and serves as the backbone of the country's capital market infrastructure. Established in 1993 and operating under the Central Depositories Act, 1997, CDC is the sole central securities depository in Pakistan, providing secure and efficient electronic custody and settlement services for securities traded in the country's capital markets.

CDC is owned by key institutions of Pakistan's financial sector, including stock exchanges, commercial banks, financial institutions, and market intermediaries, reflecting its strategic importance to the country's financial system.

Central Depository Company	Major Shareholders
Pakistan Stock Exchange	39.81%
MCB Bank Limited	15.00%
Habib Bank Limited	11.35%
LSE Ventures Limited	10.00%
National Investment Trust Limited	6.35%
Finance Division, Ministry of Finance	5.00%
Pak China Investment Company Limited	5.00%

Its operations are regulated by the Securities and Exchange Commission of Pakistan (SECP), and the company maintains robust governance, risk management, cybersecurity, and business continuity frameworks consistent with its status as a systemically important financial market infrastructure institution. CDC maintains a strong market position, and trusted reputation, and continues to play a key role in supporting the development, modernization, and integrity of Pakistan's capital markets.

## Management and Governance

CDC Share Registrar Services Limited benefits from a strong governance framework and experienced leadership, supported by its parent, Central Depository Company of Pakistan Limited (CDC). The Board comprises seasoned professionals with extensive experience in capital markets, finance, accounting, risk management, operations, and corporate governance.

The Board is chaired by Mr. Badiuddin Akber, Chief Executive Officer of CDC, who possesses over two decades of experience in financial management, clearing and settlement systems, risk management, and capital market infrastructure. Other board members include prominent business and financial professionals such as Mr. Ahmed Chinoy, a well-known businessman and director on various capital market institutions, Mr. Farrukh Viqaruddin Junaidy, a veteran chartered accountant with extensive experience in financial management and corporate governance, and Mr. Shariq Jafrani, an experienced finance professional and Chief Financial Officer of CDC.

The Company is led by Mr. Abdul Samad, Chief Executive Officer, a Fellow Chartered Accountant with over 27 years of experience in securities depository, capital market, and trustee businesses. He has served as Chief Operating Officer of CDC since 2017 and Chief Executive Officer of CDCSR since its incorporation in 2019. His long association with CDC and deep understanding of Pakistan's capital market infrastructure provide continuity and operational strength to the Company.

The collective expertise of the Board and senior management, coupled with strong oversight from the parent company, supports effective strategic direction, regulatory compliance, risk management, and operational efficiency.

#### Auditor:

Grant Thornton Anjum Rahman Chartered Accountants, categorized as 'Category A' on the State Bank of Pakistan's Panel of Auditors and holding a satisfactory QCR rating from the Institute of Chartered Accountants of Pakistan (ICAP), has issued an unqualified audit opinion on the Company's financial position as of June 2025.

## Business Risk

### INDUSTRY

The share registrar and debt trustee industry in Pakistan plays a critical support role within the capital market ecosystem, ensuring accurate shareholder recordkeeping, efficient execution of corporate actions, and protection of investor interests in both equity and debt securities. The industry operates under the regulatory supervision of the Securities and Exchange Commission of Pakistan (SECP) and is closely aligned with the infrastructure of the Pakistan Stock Exchange (PSX) and the Central Depository System. The industry is relatively small and concentrated, with a limited number of licensed participants (namely CDC Share Registrar, THK Associates (Private) Limited, Vision Consulting Limited, Corplink (Private) Limited) due to high regulatory entry barriers, technology requirements, and the need for strong governance and data security frameworks. Leading players typically include institutions affiliated with financial infrastructure providers, as well as independent corporate service firms.

Share registrar services primarily generate revenue through annual maintenance fees, corporate action processing, and transaction-based charges. Demand is largely driven by the number of listed companies, corporate activity such as IPOs, rights issues, and dividend distributions, as well as overall capital market participation. The gradual shift toward digitization—particularly e-voting, e-dividend systems, and centralized investor portals—has improved operational efficiency and transparency while reducing manual intervention.

The debt trustee segment, although smaller in scale, is gaining importance with the gradual development of Pakistan's corporate debt and sukuk markets. Trustees act as fiduciaries for bondholders, ensuring compliance with issuance terms, monitoring cash flows, and safeguarding investor rights in case of restructuring or default scenarios. Growth in this segment remains linked to corporate borrowing trends and the expansion of Islamic finance instruments. Overall, the industry is characterized by stable but modest growth, strong regulatory oversight, and increasing technological transformation. While competition remains limited, service providers differentiate themselves through operational efficiency, technology platforms, regulatory compliance capabilities, and integration with broader capital market infrastructure.

### OPERATIONAL PROFILE

The Company's revenue base is anchored in a largely recurring retainership model, which remained the largest contributor in FY25. This is complemented by meeting arrangements, dividend processing, courier management, stamp duty services, intermediary income, and other services. The Company maintains a diversified client base across listed corporates; however, some revenue concentration persists. Despite this, CDCSR has continued to strengthen its market position, with market share improving steadily from 23% in FY23 to 29% in FY25, supported by consistent client acquisition. Operationally, CDCSR onboarded 58 new companies in FY25 compared to 69 in FY24 and 54 in FY23, while competitor onboarding also increased over the same period (26 in FY23 to 43 in FY25), reflecting a progressively more competitive market environment. Overall, the Company's operating profile is characterized by a stable, recurring revenue-driven model supported by diversified service offerings and gradual market share gains.

### PROFITABILITY

Revenue grew at a healthy CAGR of approximately 18.6% during FY22–FY25, increasing from PKR 151.7 million to PKR 253.1 million, supported by client onboarding, market share expansion, and growth in value-added service offerings. Operating profit rose to PKR 81.4 million in FY25 from PKR 44.4 million in FY22, while operating margins remained healthy at 32.1% (FY24: 33.6%). Although margins moderated slightly due to higher operating and administrative expenses associated with business expansion, the company continues to demonstrate strong operating efficiency.

Profitability is further supported by investment-related other income, which contributed PKR 22.6 million in FY25. With no material debt and negligible finance costs, earnings translate efficiently into bottom-line profits. Consequently, net profit increased to PKR 76.8 million in FY25 from PKR 39.1 million in FY22, with a healthy net profit margin of 30.3%.

## Financial Risk

### CAPITAL STRUCTURE

Capitalization profile of the Company remains sound with operations financed predominantly through equity and internally generated profits. Total equity increased steadily stood at PKR 234.9 million in FY25, driven entirely by profit retention over the years, while paid-up capital remained unchanged at PKR 50 million. Dividend payout has also been maintained at a moderate level. Albeit small, the equity provides a comfortable capital cushion and financial flexibility in absence of any debt.

### DEBT COVERAGE & LIQUIDITY

The Company maintains a strong liquidity profile, supported by healthy working capital management, a sizeable liquid investment portfolio, and the absence of debt servicing obligations. Liquidity is underpinned by investments primarily placed in mutual funds, which increased to PKR 174 million in FY25 and provide readily available financial flexibility. Receivables remain manageable, with counterparty credit risk considered minimal given the Company's established and diversified client base. Approximately 20% of receivables are aged beyond 90 days; however, these balances primarily reflect timing differences in collections and prevailing industry payment practices rather than any concerns regarding recoverability. Consequently, the current ratio remained robust at around 4.8x in FY25.

Financial Summary	Appendix I			
<b>Balance Sheet (PKR Millions)</b>	<b>Jun'22</b>	<b>Jun'23</b>	<b>Jun'24</b>	<b>Jun'25</b>
Property, Plant and Equipment	4.5	3.4	3.4	6.5
Long-term Loans	3.1	1.3	2.5	7.5
Long-term Deposit	2.4	2.8	4.4	4.6
Deferred Tax	-	0.1	-	-
Trade Debt	56.7	70.4	64.8	77.6
Loan and Advances	1.4	1.0	1.6	2.8
Prepayment	1.1	0.9	0.9	1.4
Investments	83.0	110.3	158.4	174.0
Taxation	2.8	0.6	1.6	6.0
Cash & bank balance	7.4	7.0	9.2	12.1
<b>Total Assets</b>	<b>162.4</b>	<b>197.8</b>	<b>246.7</b>	<b>292.4</b>
Trade Payable	27.8	34.5	43.5	49.2
Other Liabilities	7.6	7.8	12.8	8.4
<b>Total Liabilities</b>	<b>35.4</b>	<b>42.3</b>	<b>56.3</b>	<b>57.5</b>
Paid-Up Capital	50.0	50.0	50.0	50.0
Unappropriated Profit	77.0	105.5	140.4	184.9
<b>Total Equity</b>	<b>127.0</b>	<b>155.5</b>	<b>190.4</b>	<b>234.9</b>
<b>Income Statement (PKR Millions)</b>	<b>FY22</b>	<b>FY23</b>	<b>FY24</b>	<b>FY25</b>
Operating Income	151.7	188.6	216.6	253.1
Operating Profit	44.4	64.5	72.7	81.4
Profit Before Tax	53.2	80.3	97.3	103.9
Profit After Tax	39.1	58.9	72.4	76.8
<b>Ratio Analysis</b>	<b>Jun'22</b>	<b>Jun'23</b>	<b>Jun'24</b>	<b>Jun'25</b>
Operating Margin (%)	29.3%	34.2%	33.6%	32.1%
Net Margin (%)	25.8%	31.3%	33.4%	30.3%
Funds from Operation (FFO) (PKR Millions)	52.9	89.9	33.7	16.4
FFO to Total Debt* (%)	NA	NA	NA	NA
FFO to Long Term Debt* (%)	NA	NA	NA	NA
Gearing (x)	NA	NA	NA	NA
Leverage (x)	0.28	0.27	0.30	0.24
Debt Servicing Coverage Ratio* (x)	NA	NA	NA	NA
Current Ratio (x)	4.3	4.5	4.2	4.8
(Stock in trade + trade debts) / STD (x)	NA	NA	NA	NA
Return on Average Assets* (%)	24.1%	32.7%	32.6%	28.5%
Return on Average Equity* (%)	30.8%	41.7%	41.8%	36.1%
Cash Conversion Cycle (days)	NA	NA	NA	NA
*Annualized, if required				

## REGULATORY DISCLOSURES

## Appendix II

<b>Name of Rated Entity</b>	CDC Share Registrar Services Limited				
<b>Sector</b>	Share Registrar				
<b>Type of Relationship</b>	Solicited				
<b>Purpose of Rating</b>	Entity Ratings				
<b>Rating History</b>	<b>Rating Date</b>	<b>Medium to Long Term</b>	<b>Short Term</b>	<b>Rating Outlook</b>	<b>Rating Action</b>
	<b>RATING TYPE: ENTITY</b>				
	June 29, 2026	AA-	A1	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>	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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<b>Due Diligence Meetings Conducted</b>	<b>Name</b>	<b>Designation</b>		<b>Date</b>	
	Mr. Moheel Ali Khan	CFO & Company Secretary		June 10, 2026	
	Ms. Saba Tasneem	Head of Compliance			