BROKER FIDUCIARY RATING REPORT

Chase Securities (Private) Limited

REPORT DATE:
July 13, 2026

RATING ANALYSTS:
Shaheryar Khan Mangan
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RATING DETAILS	
Broker Fiduciary Rating	**BFR3+** *Good Fiduciary Standards*
Rating Rationale	The rating signifies sound management and client services, and ownership and governance, while business and financial sustainability and internal controls and regulatory compliance are considered adequate.
Rating Date	July 13, 2026

COMPANY INFORMATION	
Incorporated in 2021	**External auditors:** M/s. UHY Hassan Naeem & Co. Chartered Accountants
Private Limited Company	**Chief Executive Officer**: Mr. Ali Nawaz
Key Shareholders (with stake 5% or more):	**Chairman of the Board:** Mr. Kumail Raza
Mr. Ali Nawaz ~66%	
Mr. Kumail Raza ~17%	
Mr. Mehdi Hassan ~17%	

APPLICABLE METHODOLOGY
Applicable Rating Criteria: Broker Fiduciary Ratings: *https://docs.vis.com.pk/Methodologies%202024/Broker-Fiduciary-Rating.pdf*

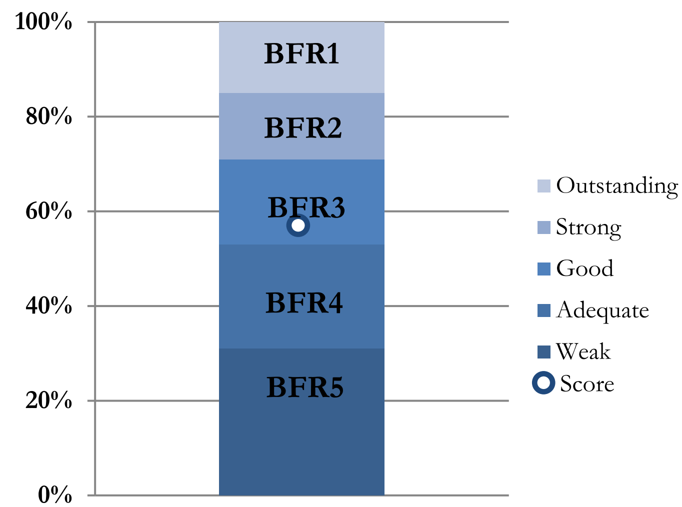
APPLICABLE RATING SCALE(S)
VIS Issue/Issuer Rating Scale: *https://docs.vis.com.pk/docs/VISRatingScales.pdf*

Chase Securities (Private) Limited

CORPORATE PROFILE

Incorporated in April 2021, Chase Securities CSPL is a private limited company principally engaged in the brokerage of shares. The Company caters mainly to domestic institutional and retail clients. At present, CSPL operates through its head office based in Karachi, where it provides both assisted and online trading services. The Company holds Trading Rights Entitlement Certificate (TREC) granted by Pakistan Stock Exchange Limited (PSX), and is registered with SECP to provide Trading & Self Clearing Services. External auditors of the Company are UHY Hassan Naeem & Co. Chartered Accountants and belong to category 'A' on the approved list of auditors published by the State Bank of Pakistan (SBP).

OVERALL GRADING



Business and Financial Sustainability Indicators

	1HFY26*	FY25	FY24
Size of Net Worth (Rs. In Millions)	351.6	264.2	126.9
Gearing (x) (Total Borrowing/ Total equity)	0.75x	0.83x	0.41x
Leverage (x) (Total liabilities/ Total equity)	2.42x	2.43x	2.13x
Liquid Assets/ Total Liabilities (x)	0.81x	0.72x	1.15x
Short term Investments/ Total Equity (%)	9%	1%	2%

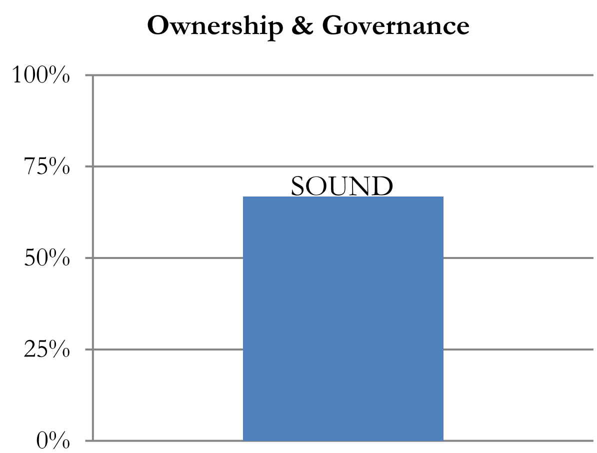
**Unaudited Accounts*

Chase Securities (Private) Limited

Rating Indicators

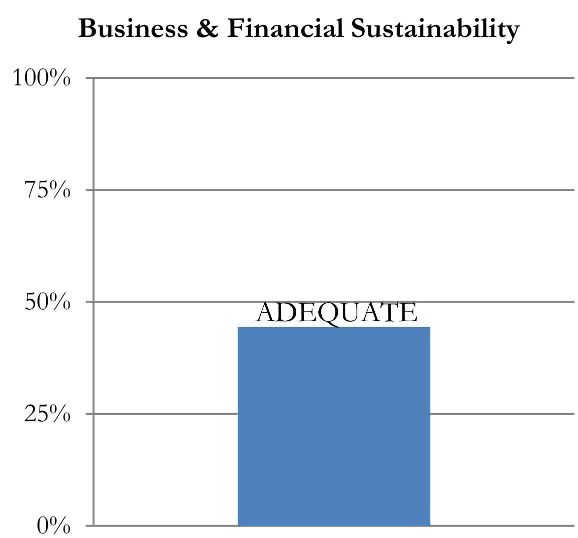
Ownership & Governance

- The composition of the Company's Board of Directors comprises four members, including one independent director representation.
- The Company has four board committees in place, including Audit Committee, Risk committee, Investment committee, and Human Resource & Remuneration committee, each chaired by an independent director. However, overlap in committee membership is noted, as all committees reflect a largely similar composition.
- An increase in the Board size may further strengthen the Company's governance framework by facilitating greater diversity in Board and committee composition.



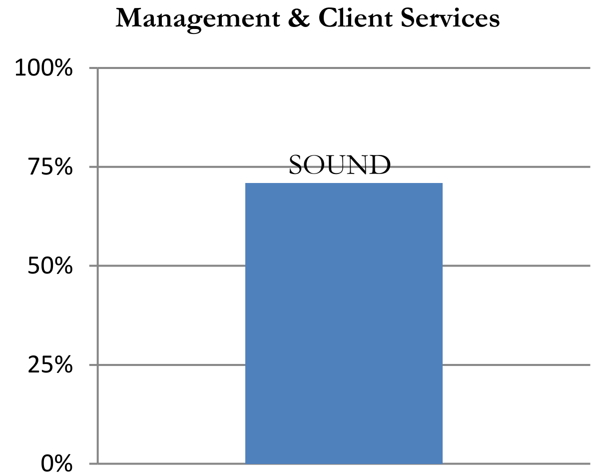
Business & Financial Sustainability

- During FY25, the Company's operating revenue more than doubled on a year-on-year basis. The increase is primarily attributable to growth in commission income, amid positive industry trend. The positive momentum has continued in 1HFY26, indicating sustained business expansion and higher market activity during the period.
- Resultantly, the Company's operational efficiency improved, with the cost-to-income ratio declining to ~59.9% in 1HFY26 (FY25: ~90.9%, FY24: ~79.1%).
- Liquidity profile of the Company witnessed a weakening, with liquid assets' coverage standing at 0.81x against its total liabilities as at Dec'25 (Jun'25: 0.72x; Jun'24: 1.15x). The ratio reflects an improvement from FY25 levels; however, it remains below the FY24 benchmark.
- The Company's market risk is considered minimal, given its limited involvement in proprietary investments.
- The Company's gearing and leverage ratios remained elevated, with ratios recorded at 0.75x and 2.42x as at Dec'25 (Jun'25: 0.74x and 2.43x; Jun'24: 0.41x and 2.13x), respectively. Nevertheless, continued sponsor support in the form of short-term loans provides comfort to the Company's capitalization profile.
- Going forward, enhancement in revenue, along with improvements in gearing and leverage indicators, liquidity profile and efficiency, will remain important for rating.



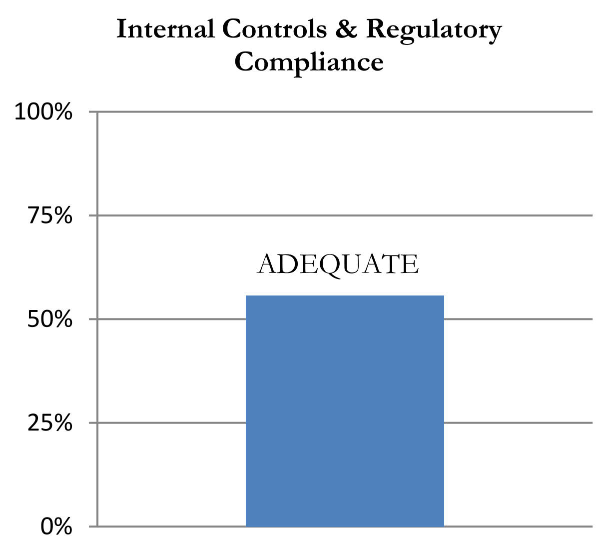
Management & Client Services

- Overall, the Company's management and client service framework is considered sound, supported by ERP platforms for back-office operations and the availability of online trading platforms.
- However, investor grievance procedures may be made more pronounced on the Company's website to enhance their visibility. Similarly, the introduction of an SMS-based complaint lodging mechanism, along with timely acknowledgement of complaints, may further strengthen the Company's client service framework.
- Contingency arrangements are in place. However, increasing the frequency of disaster recovery exercises may further strengthen the Company's business continuity framework.



Internal Controls & Regulatory Compliance

- Internal policies of the Company are in place. More frequent reviews of the order recording system may further strengthen the Company's internal control framework.
- Non-compliances highlighted by the Company, along with the associated penalties imposed, have been noted. Going forward, adherence to all applicable regulatory requirements will remain important from a 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.

Chase Securities (Pvt.) Limited

REGULATORY DISCLOSURES				Appendix I
Name of Rated Entity	Chase Securities (Private) 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			
	07/13/2026	BFR3+	Stable	Reaffirmed
	06/18/2025	BFR3+	Stable	Reaffirmed
	03/13/2024	BFR3+	Stable	Upgrade
	01/26/2023	BFR3	Stable	Initial
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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