

BROKER MANAGEMENT RATING REPORT

Mohammad Munir Muhammad Ahmed Khanani Securities Limited

REPORT DATE:

April 28, 2026

RATING ANALYST:

Shaheryar Khan Mangan
shaheryar@vis.com.pk

Rating Category	Latest Rating
Broker Management Rating	BMR2+
Rating Rationale	The assigned rating signifies sound compliance and risk management framework, Regulatory requirements, internal & external controls, client relationship and HR & infrastructure, while financial management and supervision framework are considered adequate.
Rating Date	April 28, 2026

COMPANY INFORMATION

Incorporated on March 2006	External auditors: Rahman Sarfaraz Rahim Iqbal Rafiq, Chartered Accountants
Public Unlisted Company	Chief Executive Officer: Mr. Muhammad Munir
Key Shareholders (with stake 5% or more):	
Muhammad Munir~99.9%	

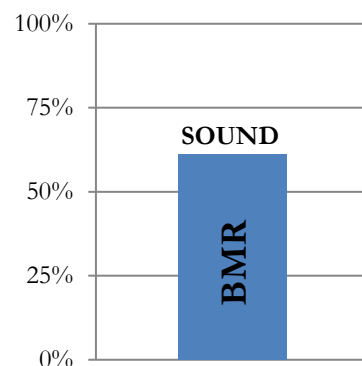
APPLICABLE METHODOLOGY & RATING SCALES

Applicable Rating Criteria: Broker Management Ratings
<https://docs.vis.com.pk/docs/BMR202007.pdf>
VIS Issue/Issuer Rating Scale:
<https://docs.vis.com.pk/docs/VISRatingScales.pdf>

Corporate Profile

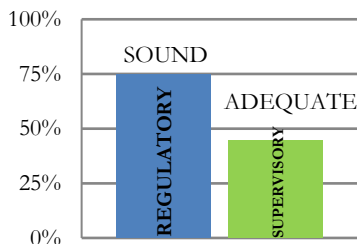
Mohammad Munir Muhammad Ahmed Khanani Securities Limited is a public unlisted company, providing equity and commodity brokerage services and research to institutional as well as retail clients. Major shareholding of the company is vested with Mr. Muhammad Munir Khanani, who serves as the Chief Executive Officer (CEO) of the company. The company provides both online and assisted trading services to its clients, and has offices in Karachi, Lahore, Hyderabad and Islamabad.

Mohammad Munir Muhammad Ahmed Khanani Securities Limited is a public unlisted company holding Trading Rights Entitlement Certificate (TREC) granted by Pakistan Stock Exchange Limited (PSX), registered with SECP to provide Trading & Self Clearing Services. External auditors of the company are Rehman Sarfaraz Rahim Iqbal Rafiq Chartered Accountants. External auditors belong to category ‘A’ on the approved list of auditors published by the State Bank of Pakistan (SBP).



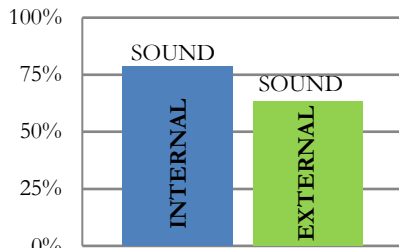
Rating Factors Scores

Regulatory Requirements & Supervision



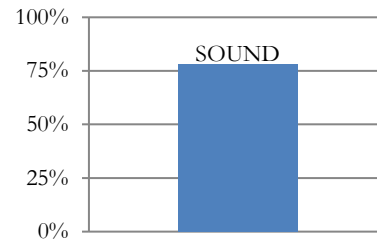
- The Company’s Board of Directors comprises five members, with two independent directors, and oversees four board committees, namely Audit, HR, Nomination, and Risk Management.
- Expanding the board size may further enhance the governance framework of the Company.

Internal & External Control Framework



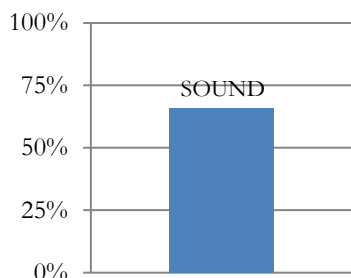
- Internal control framework of the Company is considered sound. Nevertheless, the Company may consider enhancing the scope of the internal control policies to further strengthen the internal control framework.
- Improving disclosure levels by including director’s report, statement of compliance with code and CEO statement on fraudulent transactions in the annual report and publishing the same on website may further improve external control framework of the Company.

Client Relationship & Fairplay



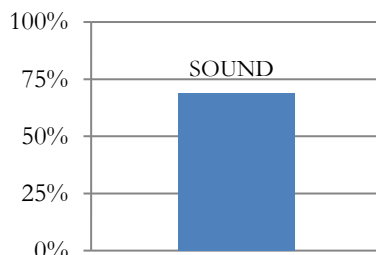
- Client relationships and fair play are considered sound, with mobile and web-based trading platforms in place to facilitate seamless execution of transactions. Additionally, clients’ trading positions are readily accessible through online channels.
- However, Investor grievance procedures may be further improved for greater visibility on website.

HR & Infrastructure



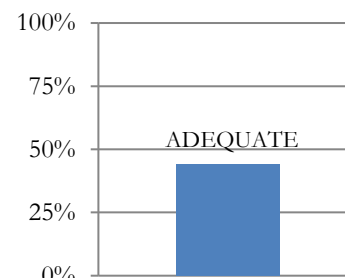
- Contingency measures of the Company are in place, with offsite backups under own control as well as outsourced to a third-party warehouse.

Compliance and Risk Management



- While the Company has a strong compliance and risk management framework, establishing an independent risk management department may further improve its effectiveness.
- Although mechanism for credit evaluation of clients is in place, assignment of tighter credit limits may further improve operational risk management.
- Rating continues to take note of the non-compliance highlighted by PSX and the associated penalty imposed in August 2024. However, the Company communicated that it has undertaken remedial measures to prevent recurrence of such incidents. Going forward, adherence to applicable regulatory requirements will remain important for the assigned ratings.

Financial Management



- The Company’s operating profitability is supported by operational efficiency, as reflected in a cost-to-income ratio of 13.4% in 1HFY26 (FY25: 23.0%; FY24: 23.7%).
- The Company’s profitability profile has remained strong, with profit after tax reported at PKR 2,333.5m and PKR 2,987.0m in FY25 and 1HFY26, respectively, supported by growth in operating revenue led by brokerage income.
- The Company’s market risk remains heightened, while its liquidity profile remains adequate.
- Capitalization indicators are considered manageable, with gearing and leverage ratios of 0.92x (Jun’25: 1.04x, Jun’24: 0.92x) and 1.72x (Jun’25: 2.09x, Jun’24: 0.92x) as at Dec’25 respectively.
- Going forward, diversification of earning profile, along with improvement in market risk, liquidity profile as well as gearing and leverage ratio will be important for the rating.

REGULATORY DISCLOSURES		Appendix I		
Name of Rated Entity	Mohammad Munir Muhammad Ahmed Khanani Securities Limited			
Sector	Brokerage			
Type of Relationship	Solicited			
Purpose of Rating	Broker Management Rating (BMR)			
Rating History	Rating Date	Rating	Rating Outlook	Rating Action
	RATING TYPE: BMR			
	4/28/2026	BMR2+	Stable	Upgrade
	04/29/2025	BMR2	Negative	Maintained
	01/16/2024	BMR2	Stable	Reaffirmed
	08/17/2022	BMR2	Stable	Reaffirmed
	7/4/2021	BMR2	Stable	Reaffirmed
13/3/2020	BMR2	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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