Habib Metropolitan Financial Services Limited

Condensed Interim Financial Statements (Un-Audited)
For the nine months period ended 30 September 2025

Habib Metropolitan Financial Services Limited
Condensed Interim Statement of Financial Position
As at 30 September 2025

	Note	(Un-Audited) 30 September 2025	(Audited) 31 December 2024
		------------ (Rupees) ------------	
ASSETS			
Non-current assets			
Equipment	5	**12,148,885**	14,112,765
Right of use asset	6	**1,142,821**	2,428,495
Intangible assets	7	**1,556,529**	2,046,543
Long term investment	8	**59,148,966**	44,481,946
		73,997,201	63,069,749
Current assets			
Trade debts- net	9	**147,753,634**	162,976,302
Loans to employees	10	**1,192,959**	1,794,006
Deposits and prepayments	11	**151,279,956**	135,641,737
Short term investments	12	**98,683,030**	97,944,858
Accrued profit		**3,155,563**	3,478,178
Other receivables		**333,039**	216,850
Advance taxation - net		**14,625,213**	42,308,092
Cash and bank balances	13	**255,592,925**	95,875,110
		672,616,319	540,235,133
Total assets		**746,613,520**	603,304,882
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised capital			
30,000,000 (31 December 2024: 30,000,000) ordinary shares of Rs. 10 each		**300,000,000**	300,000,000
Issued, subscribed and paid up share capital			
30,000,000 (31 December 2024: 30,000,000) ordinary shares of Rs. 10 each fully paid in cash	14	**300,000,000**	300,000,000
Unappropriated profit		**1,068,063**	2,619,312
Surplus on revaluation of investments - net of tax		**45,219,593**	31,250,432
		346,287,656	333,869,744
Non-current liabilities			
Deferred tax liabilities	15	**89,744**	542,669
Liability against right of use assets - non current portion		**-**	1,049,448
		89,744	1,592,117
Current liabilities			
Liability against right of use assets - current portion		**1,659,962**	2,309,588
Trade and other payables	16	**342,621,618**	208,369,589
Short term borrowing - secured	17	**55,954,540**	57,163,844
		400,236,120	267,843,021
Total equity and liabilities		**746,613,520**	603,304,882
CONTINGENCIES AND COMMITMENTS	18		

The annexed notes 1 to 29 form an integral part of this condensed interim financial statements.

Chief Executive Officer | **Director**

Habib Metropolitan Financial Services Limited
Condensed Interim Statement of Profit or Loss (Un-Audited)
For the nine months period ended 30 September 2025

	Note	30 September 2025	30 September 2024
		------------ (Rupees) ------------	
Brokerage income	*19*	**83,959,943**	44,980,855
Income from investments			
- Amortisation income on Market Treasury Bills		**8,643,928**	14,633,798
- Realised gain on Market Treasury Bills		**131,447**	-
Administrative expenses	*20*	**(96,904,181)**	(87,371,464)
Finance cost		**(591,627)**	(352,259)
Provision for Sindh Workers' Welfare Fund		**(77,592)**	-
Charge of loss allowance for expected credit loss (ECL)		**(2,715,486)**	(465,622)
		(100,288,886)	(88,189,345)
Other income	*21*	**11,768,967**	16,755,024
Profit / (loss) before income tax and minimum tax differential		**4,215,399**	(11,819,668)
Minimum tax differential	*23*	**(5,125,163)**	(3,307,363)
Loss before income tax		**(909,764)**	(15,127,031)
Provision for taxation			
- Current		**(821,366)**	-
- Deferred		**179,881**	186,334
		(641,485)	186,334
Loss after taxation		**(1,551,249)**	(14,940,697)
Earning per share - basic and diluted	*24*	**(0.05)**	(0.50)

The annexed notes 1 to 29 form an integral part of this condensed interim financial statements.

Chief Executive Officer | **Director**

Habib Metropolitan Financial Services Limited
Condensed Interim Statement of Comprehensive Income (Un-Audited)
For the nine months period ended 30 September 2025

	30 September 2025	30 September 2024
	------------ (Rupees) ------------	
Loss after taxation	**(1,551,249)**	(14,940,697)
Other comprehensive income:		
Items to be reclassified to statement of profit or loss in subsequent periods		
- (Deficit) / surplus on revaluation of debt investments carried at fair value	**(970,903)**	1,023,702
- Related deferred tax	**273,044**	(296,873)
	(697,859)	726,829
Items not to be reclassified to statement of profit or loss in subsequent periods		
- Surplus on revaluation of equity shares investments carried at fair value	**14,667,020**	6,235,487
Total comprehensive profit / (loss) for the period	**12,417,912**	(7,978,381)

The annexed notes 1 to 29 form an integral part of this condensed interim financial statements.

Chief Executive Officer **Director**

Habib Metropolitan Financial Services Limited
Condensed Interim Statement of Changes in Equity (Un-Audited)
For the nine months period ended 30 September 2025

	Issued, subscribed and paid up capital	Unappropriated profit	Surplus / (deficit) on revaluation of investments	Total
	(Rupees)			
Balance as at 31 December 2023 (Audited)	300,000,000	6,232,009	2,276,750	308,508,759
Total comprehensive income for the period				
Net loss for the nine months period ended 30 September 2024	-	(14,940,697)	-	(14,940,697)
Other Comprehensive Income - net surplus on revaluation of investments - net of tax	-	-	6,962,316	6,962,316
	-	(14,940,697)	6,962,316	(7,978,381)
Balance as at 30 September 2024 (Un-Audited)	300,000,000	(8,708,688)	9,239,066	300,530,378
Net profit for the three months period ended 31 December 2024	-	11,328,000	-	11,328,000
Other Comprehensive Income - net surplus on revaluation of investments - net of tax	-	-	22,011,366	22,011,366
Balance as at 31 December 2024 (Audited)	300,000,000	2,619,312	31,250,432	333,869,744
Total comprehensive income for the period				
Net loss for the nine months period ended 30 September 2025	-	**(1,551,249)**	-	**(1,551,249)**
Other Comprehensive Income - net deficit on revaluation of investments - net of tax	-	-	**13,969,161**	**13,969,161**
	-	**(1,551,249)**	**13,969,161**	**12,417,912**
Balance as at 30 September 2025 (Un-Audited)	**300,000,000**	**1,068,063**	**45,219,593**	**346,287,656**

The annexed notes 1 to 29 form an integral part of this condensed interim financial statements.

Chief Executive Officer

Director

Habib Metropolitan Financial Services Limited
Condensed Interim Statement of Cash Flow (Un-Audited)
For the nine months period ended 30 September 2025

	Note	30 September 2025	2024
		------------ (Rupees) ------------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit / (loss) before income tax and minimum tax differential		**4,215,399**	(11,819,668)
Adjustments for:			
Amortisation income on Market Treasury Bills		**(8,643,928)**	(14,633,798)
Realised gain on Market Treasury Bills		**(131,447)**	-
Expected credit loss (ECL) allowance		**2,715,486**	465,622
Interest on lease liability against right of use asset		**168,432**	315,008
Depreciation on equipment	20	**3,277,445**	3,126,283
Depreciation on right of use asset	20	**1,285,674**	1,285,674
Amortization on intangible asstes	20	**949,014**	1,068,508
		(301,732)	(8,372,703)
(Increase) / decrease in current assets			
Receivable from customers		**12,507,182**	28,001,657
Loans and advances		**601,047**	442,980
Deposits and prepayments		**(15,638,219)**	(1,206,446)
Accrued profit		**322,615**	460,140
Other receivables		**(116,189)**	(477,259)
		(2,323,564)	27,221,072
Increase / (decrease) in current liabilities			
Trade and other payables		**134,174,437**	(42,050,777)
		135,764,540	(35,022,076)
Income taxes refunded / (paid) - net		**21,736,350**	(7,169,754)
Net cash generated from / (used in) operating activities		**157,500,890**	(42,191,830)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from the sale / maturity of investments		**299,698,900**	300,000,000
Purchase of investments		**(292,632,600)**	(282,827,900)
Purchase of equipment	5.1	**(1,313,565)**	(757,960)
Purchase of Intangible assets	7.1	**(459,000)**	-
Net cash generated from investing activities		**5,293,735**	16,414,140
CASH FLOWS FROM FINANCING ACTIVITIES			
Lease rentals paid		**(1,867,506)**	(1,778,576)
Net cash used in financing activities		**(1,867,506)**	(1,778,576)
Increase / (decrease) in cash and cash equivalent		**160,927,119**	(27,556,266)
Cash and cash equivalents at beginning of the period		**38,711,266**	140,251,593
Cash and cash equivalents at end of the period		**199,638,385**	112,695,327
CASH AND CASH EQUIVALENTS			
Cash and bank balances	13	**255,592,925**	112,695,327
Short term borrowings - secured		**(55,954,540)**	-
		199,638,385	112,695,327

The annexed notes 1 to 29 form an integral part of this condensed interim financial statements.

Chief Executive Officer | **Director**

1 STATUS AND NATURE OF BUSINESS

1.1 Habib Metropolitan Financial Services Limited (the Company) was incorporated in Pakistan on 28 September 2007 as a public limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The Company is a wholly owned subsidiary of Habib Metropolitan Bank Limited (the Holding Company). The Ultimate Parent Company is Habib Bank AG Zurich, which is incorporated in Switzerland. The Company is engaged in the business of stock brokerage. The Company holds a Trading Rights Entitlement (TRE) Certificate from Pakistan Stock Exchange Limited (PSX). The registered office of the Company is located at 1st Floor, GPC 2, Block 5, Kehkashan Clifton, Karachi. The Company commenced its operations on 06 March 2008.

2 BASIS OF PREPARATION

2.1 Statement of compliance

2.1.1 These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

- Provisions of and directives issued under the Companies Act, 2017 and directives issued by the Securities and Exchange Commission of Pakistan (SECP) from time to time.

Whenever the requirements of the Companies Act, 2017 or the directives issued by the SECP differ with the requirements of the IAS 34, the requirements of the Companies Act, 2017 and the said directives shall prevail.

2.2 Basis of accounting

These condensed interim financial statements of the Company do not include all of the information required for annual financial statements and should be read in conjunction with the annual audited financial statements of the Company as at and for the year ended 31 December 2024. However, selected explanatory notes are included to explain events and transactions that are significant for an understanding of the changes in the Company's financial position and performance since the last annual audited financial statements.

2.3 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention, except that investments are carried at fair values.

2.4 Functional and presentation currency

These condensed interim financial statements are presented in Pakistan rupees which is also the Company's functional currency and have been rounded off to the nearest rupee.

2.5 Use of estimates and judgment

The preparation of the condensed interim financial statements in conformity with approved accounting and reporting standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. However, actual results may differ from these estimates.

The significant judgments made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual audited financial statements for the year ended 31 December 2024.

2.6 Financial Risk Management

The Company's financial risk management objectives and policies are consistent with those that are disclosed in the annual audited financial statements as at and for the year ended 31 December 2024.

3 MATERIAL ACCOUNTING POLICIES INFORMATION

The accounting policies applied for the preparation of these condensed interim financial statements are same as those applied in the preparation of the annual audited financial statements of the Company for the year ended 31 December, 2024.

4 STANDARDS, INTERPRETATIONS OF AND AMENDMENTS TO ACCOUNTING AND REPORTING STANDARDS AS APPLICABLE IN PAKISTAN

4.1 There are certain new standards, interpretations and amendments that are mandatory for the Company's accounting periods beginning on 1 January 2025 but are considered not to be relevant or do not have any significant effect on the Company's operations.

4.2 STANDARDS, AMENDMENTS AND IMPROVEMENTS TO APPROVED ACCOUNTING STANDARDS THAT ARE NOT YET EFFECTIVE

There are certain new standards, interpretations and amendments to the accounting and reporting standards as applicable in Pakistan that are mandatory for the Company's accounting periods beginning on or after 1 January 2026 but are considered not to be relevant or do not have any material effect on the Company's operations, and are therefore, not detailed in these condensed interim financial statements.

5 EQUIPMENT

	(Un-Audited) 30 September 2025	(Audited) 31 December 2024
	(Rupees)	
Operating Assets	**12,148,885**	14,112,765

5.1 The following are the costs of the assets that have been added during the period.

	(Un-Audited) 30 September	
	2025	2024
	(Rupees)	
Office equipment	**622,500**	-
Computer equipment	**691,065**	757,960
	1,313,565	757,960

6 RIGHT OF USE ASSET

	(Un-Audited) 30 September 2025	(Audited) 31 December 2024
	(Rupees)	
Right of use asset	**1,142,821**	2,428,495

6.1 There have been no additions to and termination of right of use assets during the period..

7 INTANGIBLE ASSETS

	(Un-Audited) 30 September 2025	(Audited) 31 December 2024
	(Rupees)	
Computer Softwares	**1,556,529**	2,046,543

7.1 The following are the cost of the intangible assets have been added during the period.

	(Un-Audited) 2025	2024
	30 September	
	------------ (Rupees) ------------	
Computer software	**459,000**	-

8 LONG TERM INVESTMENT

at fair value through other comprehensive income (OCI)

(Un-Aaudited) 30 September 2025	(Audited) 31 December 2024		Note	(Un-Audited) 30 September 2025	(Audited) 31 December 2024
(Number of shares)				------------ (Rupees) ------------	
1,602,953	1,602,953	Cost of investment		**13,900,000**	13,900,000
-	-	Surplus on revaluation of investment		**45,248,966**	30,581,946
1,602,953	1,602,953	Closing balance	*8.1*	**59,148,966**	44,481,946

8.1 This represents ordinary shares of Pakistan Stock Exchange Limited (PSX) having face value of Rs. 10 each and are carried at the market value.

8.2 Pursuant to the promulgation of the Stock Exchanges (Corporatisation, Demutulization and Integration) Act, 2012 (the Act), all rading right entitlement (TRE) certficate holders of Paksiatn Stock Exchange (PSX), in compliance with the Schedule-I of Chapter 19: Risk management Regulations of the PSX Rule Book, are required to maintain a Base Minimum Capital (BMC).

At 30 Spetember 2025, as per slabs given under the above mentioned regulations, the Company is required to maintain a BMC of 32.28 million with PSX. Accordingly, the Company has complied with the said requirement in the following manner:

i) Transferable TRE Certificate lien marked with irrevocable authority in favour of the exchange;
ii) Cash deposited with the exchange amounting to Rs. 18.5 million to fulfil the BMC requirement; and
iii) Shares of PSX (1,602,953 shares) pledged in favour of the exchange.

9 TRADE DEBTS - NET

	Note	(Un-Audited) 30 September 2025	(Audited) 31 December 2024
		------------ (Rupees) ------------	
Trade receivables from the customers	*9.1*	**124,536,016**	116,928,212
Less: Expected credit loss (ECL) allowance	*9.2*	**(6,013,302)**	(3,297,816)
		118,522,714	113,630,396
Receivable from NCCPL			
- ready market		**28,581,826**	48,807,872
- future market		**649,094**	538,034
		147,753,634	162,976,302

9.1 Details of the maximum aggregate amount due from the related parties outstanding at any time during the period (month-end balances) are as under:

	(Un-Audited) 30 September 2025	(Audited) 31 December 2024
	------------ (Rupees) ------------	
Habib Metropolitan Bank Limited (the Holding company)	**1,083,750**	1,337,835
First Habib Modaraba	**67**	67
Habib Metropolitan Modaraba Management Company (Private Limited)	**7,096**	7,096
Habib Metropolitan Modaraba Management Company (Private Limited) - Employees Provident Fund	**1,355,565**	393,500

		(Un-Audited) 30 September 2025	(Audited) 31 December 2024
9.2	**Expected credit loss (ECL) allowance**	------------ (Rupees) ------------	
	Opening Balance	**3,297,816**	2,742,892
	Net charge during the period / year	**2,715,486**	554,924
	Closing Balance	**6,013,302**	3,297,816

		Note	(Un-Audited) 30 June 2025	
9.3	**Ageing analysis**		**Amount**	**Custody value**
	The aging analysis of the trade receivables relating to purchase of shares is as follows:		------------ (Rupees) ------------	
	Up to five days	*9.3.1*	**84,968,447**	**2,274,215,087**
	More than five days	*9.3.1*	**39,567,569**	**2,446,133,134**
			124,536,016	**4,720,348,221**

9.3.1 These custody values are shown at values on the basis of value at risk (VAR) notified by National Clearing Company of Pakistan Limited (NCCPL).

		(Un-Audited) 30 September 2025	(Audited) 31 December 2024
10	**LOANS TO EMPLOYEES**	------------ (Rupees) ------------	
	Unsecured, considered good		
	Loans to Key Management Personnel	**559,175**	1,273,088
	Loans to other employees	**633,784**	520,918
		1,192,959	1,794,006

10.1 Above are unsecured interest free balances and are adjustable against the monthly salaries.

		Note	(Un-Audited) 30 September 2025	(Audited) 31 December 2024
11	**DEPOSITS AND PREPAYMENTS**		------------ (Rupees) ------------	
	Deposits with:			
	- NCCPL against the exposure	*11.1*	**124,916,627**	114,916,627
	- PSX under BMC requirement	*11.2*	**18,500,000**	18,500,000
	- NCCPL for deliverable future contracts, ready contracts and initial deposit	*11.3*	**1,400,000**	1,400,000
	- Central Depository Company of Pakistan Limited	*11.4*	**100,000**	100,000
	- K-Electric Company Limited		**34,390**	34,390
	- Pakistan Beverage Limited		**6,000**	6,000
			144,957,017	134,957,017
	Prepayments		**6,322,939**	684,720
			151,279,956	135,641,737

11.1 This represents margin deposit with NCCPL in accordance with the provisions of the Securities Act, 2015, carrying mark-up ranging from 6.18% to 7.5% (31 December 2024: 14.65% to 19.15%) per annum.

11.2 This represents deposit with PSX to fulfil the base minimum capital requirement, carrying mark-up ranging from 10.08% to 13.76% (31 December 2024: 13.60% to 21.87%) per annum.

11.3 This represents amount of Rs. 1 million (31 December 2024: Rs. 1 million) on account of basic deposit for deliverable future contracts market, Rs. 0.2 million (31 December 2024: Rs. 0.2 million) for ready market and Rs. 0.2 million (31

11.4 This represent amount of Rs.100,000 (31 December 2024: Rs.100,000) on account of deposit with CDC at the commencement of brokerage business.

12 SHORT TERM INVESTMENTS - at fair value through OCI

	(Un-Audited) 30 September 2025	(Audited) 31 December 2024
	------------ (Rupees) ------------	
Market Treasury Bills		
Amortised cost	**98,712,403**	97,003,328
Surplus arising on revaluation during the period / year	**(29,373)**	941,530
Market Value	**98,683,030**	97,944,858

12.1 Market Treasury Bills

Tenor	Effective rate %	Issue date	Face Value: As at 01 January 2025	Face Value: Purchased during the period	Face Value: Matured / Sold during the period	Face Value: As at value as at 2025	Amortised cost as at 30 September 2025	Market value as at 30 June 2025
6 months	17.62	5-Sep-24	100,000,000	-	100,000,000	-	-	-
3 months	11.70	12-Mar-25	-	100,000,000	100,000,000	-	-	-
3 months	11.13	29-May-25	-	100,000,000	100,000,000	-	-	-
3 months	10.82	21-Aug-25	-	100,000,000	-	100,000,000	98,712,403	98,683,030
			100,000,000	300,000,000	300,000,000	100,000,000	98,712,403	98,683,030

12.2 Total face value of the above instruments is Rs.100 million. These are pledged with NCCPL against the exposure margin.

13 CASH AND BANK BALANCES

		(Un-Audited) 30 September 2025	(Audited) 31 December 2024
		------------ (Rupees) ------------	
Cash in hand		**25,000**	25,000
Profit and loss sharing accounts:			
- Habib Metropolitan Bank Limited - the Holding Company	13.1	**50,000**	50,000
- Habib Bank Limited	13.1	**550,325**	613,370
- Meezan Bank Limited	13.1	**8,827**	8,518
		609,152	671,888
Current accounts:			
- Habib Metropolitan Bank Limited - the Holding Company	13.2	**253,173,333**	93,623,856
- MCB Bank Limited		**1,785,440**	1,554,366
		254,958,773	95,178,222
		255,592,925	95,875,110

13.1 These represent balances maintained in the profit and loss sharing accounts, carrying mark-up ranging from 7.46% to 11.50% per annum (31 December 2024: 7.51% to 20.50%) per annum.

		(Un-Audited) 30 September 2025	(Audited) 31 December 2024
		------------ (Rupees) ------------	
13.2	Customers' assets held in the designated bank accounts	**253,173,333**	93,623,856
13.3	Customers' assets held in the CDC account	**8,371,995,320**	6,083,542,950
13.4	Customers' securities pledged with financial institutions	**89,735,099**	83,360,612

14 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

As of the balance sheet date, 29,999,997 (31 December 2024: 29,999,997) shares were held by the Holding company and 3 (31 December 2024: 3) shares were held by directors of the Company, as the nominees of the Holding Company.

15 DEFERRED TAX ASSET LIABILITIES - net

Deferred tax asset / (liability) comprises of temporary differences in respect of the following:

	Balance as at 1 January 2024	Recognised in Statement of Profit or Loss	Recognised in Statement of Comprehensive Income	(Audited) Balance as at 31 December 2024	Recognised in Statement of Profit or Loss	Recognised in Statement of Comprehensive Income	(Un-Audited) Balance as at 30 September 2025
	------------			(Rupees)			------------
Taxable temporary difference:							
Equipment	(677,724)	472,388	-	(205,336)	**205,336**	-	-
Intangible assets	(42,700)	(21,589)	-	(64,289)	**(25,455)**	-	**(89,744)**
(Surplus) / deficit on revaluation of investments - net	(1,207)	-	(271,837)	(273,044)	**-**	**273,044**	**-**
	(721,631)	450,799	(271,837)	(542,669)	**179,881**	**273,044**	**(89,744)**

The Company, as a measure of prudence, has not recognized deferred tax asset of Rs. 2.40 million (31 December 2024: 1.67million) on deductible temporary differences.

16 TRADE AND OTHER PAYABLES

	Note	(Un-Audited) 30 September 2025	(Audited) 31 December 2024
		------------ (Rupees) ------------	
Due to customers in respect of securities transactions		**329,938,732**	192,174,433
Accrued expenses		**9,701,068**	13,370,957
Payable to workers' welfare fund	*16.1*	**2,814,115**	2,736,523
Sindh sales tax payable- net		**167,703**	87,676
		342,621,618	208,369,589

16.1 The Finance Act 2008 introduced amendments to the Workers' Welfare Fund (WWF) Ordinance, 1971 whereby the definition of industrial establishment was extended. The amendments were challenged at various levels and conflicting judgments were rendered by the different High Courts. The Company is of the view that it is not liable to pay this liability. However, the management has made provision for WWF for the years from 2008 to 2014 amounting to Rs. 1.79 million as a matter of abundant caution.

The Honourable Supreme Court of Pakistan vide its judgment dated 10 November 2016, has upheld the view of Lahore High Court and decided that WWF is not a tax and hence the amendments introduced through Finance Act, 2008 are ultra-vires to the Constitution. The Federal Board of Revenue has filed Civil Review Petitions in respect of above judgment with the prayer that the judgment dated 10 November 2016 passed in the Civil Appeal may kindly be reviewed in the interest of justice.

The management, as a matter of abundant caution, has decided to maintain the provision of WWF till the decision of Supreme Court in respect of Civil Review Petition.

Further, as a consequence of the 18th amendment to the Constitution, levy for the WWF was also introduced by the Government of Sindh through the Sindh Workers Welfare Fund (SWWF) Act 2014. SWWF Act 2014, enacted on 21 May 2015, requires every industrial establishment located in the province of Sindh and having total income of Rs. 0.5 million or more in any year of account commencing on or after the date of closing of account on or after 31 December 2013, to pay two percent of so much of its total income declared to SWWF. The said Act includes any concern engaged in the banking or financial institution in the definition of "industrial undertaking" but does not define financial institution. From 2015 to the date, the Company has created provision of SWWF amounting to Rs.1.02 million.

17 SHORT TERM BORROWING

	Note	(Un-Audited) 30 September 2025	(Audited) 31 December 2024
		------------ (Rupees) ------------	
Habib Metropolitan Bank Limited - The Holding Company	*17.1*	**55,954,540**	**57,163,844**

17.1 The Company has a running finance facility from the Holding Company having credit limit up to Rs. 350 million (31 December 2024: Rs. 350 million). This carries mark up at the rate of 3 months KIBOR plus 2% per annum (31 December 2024: 3 months KIBOR plus 2% per annum) payable quarterly. This facility is available till 30 June 2026 and is renewable. It is secured by first hypothecation charge on the receivables of the Company registered with Securities and Exchange Commission of Pakistan duly insured in the Holding Company's favour amounting to Rs. 667 million.

18 CONTINGENCIES AND COMMITMENTS

18.1 There were no contingencies and commitments as at 30 September 2025 (31 December 2024 : Capital Commitment of Rs 0.3million).

19 BROKERAGE INCOME

	Note	(Un-Audited) 30 September	
		2025	2024
		------------ (Rupees) ------------	
Brokerage income	*19.1, 19.2 & 19.3*	**83,959,943**	44,980,855

19.1 Disaggregation of brokerage income

Below, revenue is disaggregated by type of customers:

	(Un-Audited) 30 September	
	2025	2024
	------------ (Rupees) ------------	
- Corporate customers	**45,848,125**	27,561,362
- Individual customers	**38,111,818**	17,419,493
	83,959,943	44,980,855

19.2 This includes brokerage from related parties amounting to Rs. 2.40 million (30 September 2024: Rs. 2.74 million)

19.3 Brokerage revenue includes Rs. 13.68 million from customers outside the country (30 September 2024: Rs. 1.79 million)

20 ADMINISTRATIVE EXPENSES

	Note	(Un-Audited) 30 September	
		2025	2024
		------------ (Rupees) ------------	
Salaries and benefits	*20.1*	**62,826,760**	53,410,242
Pakistan Stock Exchange (PSX) clearing house, CDC and NCCPL charges		**6,763,595**	4,056,310
Repairs and maintenance		**5,931,504**	5,172,592
Communication		**5,455,031**	5,175,617
Depreciation on equipment		**3,277,445**	3,126,283
Utilities and office general expenses		**2,166,257**	1,997,878
Insurance		**2,104,720**	1,928,130
Depreciation on right of use asset		**1,285,674**	1,285,674
Auditors' remuneration		**1,761,800**	1,778,652
Entertainment and business promotions		**1,547,066**	573,589
Fees and subscription		**1,087,235**	1,335,670
Amortization of intangible assets		**949,014**	1,068,508
Legal and professional charges		**932,088**	922,230
Travelling and conveyance		**181,341**	265,714
Printing and stationery		**159,170**	158,495
Professional tax		**72,000**	91,500
Provision against penalty imnposed by FBR		**-**	4,552,500
Rent		**-**	99,004
Others		**403,481**	372,876
		96,904,181	87,371,464

20.1 This includes remunerative of the Chief Executive and executive as follows:

	Chief Executive (CEO) (Un-Audited) 30 September		Executives (Un-Audited) 30 September	
	2025	2024	**2025**	2024
	------------ (Rupees) ------------			
Managerial remuneration	**13,031,880**	11,931,472	**24,025,081**	18,648,661
Bonus	**2,062,500**	1,875,000	**3,103,626**	2,647,431
	15,094,380	13,806,472	**27,128,707**	21,296,092
Number of persons	**1**	1	**7**	6

20.1.1 In addition to the above, the Chief Executive is entitled to company maintained car in accordance with the Company's HR policy.

20.1.2 During the period, no meeting fees was paid to the Directors of the Company for attending the board meetings.

21 OTHER INCOME

	(Un-Audited) 30 September 2025	2024
	------------ (Rupees) ------------	
Reversal of provision against penalty imposed by FBR	**4,512,500**	-
Return on NCCPL exposure margin	**4,274,774**	8,464,770
Return on PSX BMC deposit	**1,737,106**	2,773,759
Mark-up on bank balances	**1,203,106**	4,967,000
Amortisation of loan to employees	**41,051**	545,185
Physical shares transfer	**430**	129
IPO / book building brokerage income	**-**	4,181
	11,768,967	16,755,024

22 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties comprises of the Holding Company including the Ultimate Parent Company, associated companies, directors of the Company and key management personnel. Remuneration of key management personnel are in accordance with their terms of employment. Other transactions with related parties are at agreed terms.

22.1 Details of transactions with the related parties during the period, other than those which have already been disclosed else where in these condensed interim financial statements, are as follows:

	(Un-Audited) 30 September 2025	2024
	------------ (Rupees) ------------	
Habib Metropolitan Bank Limited - the Holding Company		
- Equity brokerage commission	**2,321,008**	2,546,176
- Repayment of lease obligation against right of use asset	**1,867,506**	1,778,576
- Mark-up on bank balance	**1,175,303**	4,906,468
- Finance Cost	**575,503**	351,456
- Referral Fee	**2,160**	-
Key Management Personnel		
- Salaries and benefits	**39,209,430**	36,646,650
- Equity brokerage commission	**22,253**	36,001
Habib Bank AG Zurich - Ultimate Parent Company		
- Equity brokerage commission	**9,342**	161,328
Associated Entities - Equity Brokerage Commission		
First Habib Modaraba - (subsidiary of the holding company)	**-**	-
Habib Metropolitan Modaraba Management Company (Private) Limited - (subsidiary of the holding company)	**-**	-
Habib Metro Exchange Services Limited - (subsidiary of the holding company)	**-**	-
Habib Metropolitan Modaraba Management Company (Private) Limited - Employee Provident Fund - (post employment benefit plan of the subsidiary of the holding company)	**26,914**	105,135
First Habib Modaraba - Emplyee Provident Fund - (post employment benefit plan of the subsidiary of the holding company)	**21,598**	-
Directors (Holding Company)		
- Equity brokerage commission	**2,380**	-

22.2 Details of the balances with the related parties are as follows:

	(Un-Audited) 30 September 2025	(Audited) 31 December 2024
	------------ (Rupees) ------------	
Habib Metropolitan Bank Limited - The Holding Company		
- Bank balances	**253,223,333**	93,673,856
- Accrued profit on bank balance	**481,793**	39,988
- Receivable in respect of securities transactions - net	**593,719**	280,039
- Short term borrowing	**55,954,540**	57,163,844
- Referral fee payable	**2,160**	-
Key Management Personnel		
- Loan to key management personnel	**559,175**	1,273,088
- Payable in respect of securities transactions	**(224,465)**	(261,539)
Directors		
- Receivable in respect of account opening charges	**300**	-
Habib Bank AG Zurich - Ultimate Parent Company		
- Receivable / (payable) in respect of securities transactions	**-**	-
Associated Entities - Receivable/ payable in respect of securities transactions - net		
First Habib Modaraba - (subsidiary of the holding company)	**-**	67
Habib Metropolitan Modaraba Management Company (Private) Limited - (subsidiary of the holding company)	**-**	7,096
Habib Metro Exchange Serviices Limited - (subsidiary of the holding company)	**-**	-
Habib Metropolitan Modaraba Management Company (Private) Limited - Employee Provident Fund - (post employment benefit plan of the subsidiary of the holding company)	**216,906**	(58,875)
First Habib Modaraba - Employee Provident Fund - (post employment benefit plan of the subsidiary of the holding company)	**(50,878)**	379,352
Directors of the holding company		
- Payable in respect of securities transactions - net	**(6,580)**	(448,826)

22.3 Number of employees

	30 September 2025 (Un-Audited)	31 December 2024 (Audited)
	(Number of employees)	
Number of Employees as at the period / year end	**26**	26
Average Number of Employees as at the period / year end	**26**	26

23 TAXATION

This represents portion of minimum tax under section 233 and under section 5 of the Income Tax Ordinance (ITO), 2001, representing levy in terms of requirements of IFRIC 21 / IAS 37.

24 EARNING PER SHARE BASIC AND DILUTED

	(Un-Audited) 30 September 2025	2024
	------------ (Rupees) ------------	
Loss after taxation	**(1,551,249)**	(14,940,697)
	(Number)	
Weighted average ordinary shares during the period	**30,000,000**	30,000,000
	------------ (Rupees) ------------	
Earning per share - basic and diluted	**(0.05)**	(0.50)

25 DISCLOSURE UNDER REGULATION 5(4) OF RESEARCH ANALYST REGULATIONS 2015

At present the Company has six members in its Research Department (including Head of Research, two research analysts, one data base administrator and two graduate trainees). All members report to the Head of Research who in turn reports to Chief Executive Officer.

Compensation structure of research analysts is flat and is subject to qualification, experience and skill set of the person. However, the compensation of anyone employed in the research department does not in anyway depend on the contents/outcome of research report.

During the period ended 30 September 2025, the personnel employed in the research department have drawn an aggregate salary and benefits amounting to Rs. 7.48 million which comprises basic salary, medical allowance and other benefits and bonus as per the Company's policy.

26 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between the market participants at the measurement date.

Underlying the definition of fair value is the presumption that the Company is going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the reporting date. The quoted market prices used for financial assets held by the Company are current bid prices.

A financial instrument is regarded as quoted in an active market if quoted prices are readily available and regularly available from an exchange, dealer, broker, industry group, pricing services, or regulatory agency, and these prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13, 'Fair Value Measurements' requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

The different levels (methods) have been:

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

Fair value of the financial assets that are traded in active markets are based on quoted market prices.

	Note	Carrying Value				Fair value			
30 September 2025 (Un-Audited)		Fair value through Other Comprehensive Income	Fair value through Profit or Loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
		(Rupees)							
On balance sheet financial instruments									
Financial assets measured at fair value									
- Short term investments									
- Market treasury bills	26.1	98,683,030	-	-	98,683,030	-	98,683,030	-	98,683,030
- Long term investments									
- Investment in the shares of Pakistan Stock Exchange Limited		59,148,966	-	-	59,148,966	59,148,966	-	-	59,148,966
		157,831,996	-	-	157,831,996	59,148,966	98,683,030	-	157,831,996
Financial assets not measured at fair value	26.2								
- Trade debts - net		-	-	147,753,634	147,753,634				
- Loan to employees		-	-	1,192,959	1,192,959				
- Deposits		-	-	144,957,017	144,957,017				
- Other receivables		-	-	333,039	333,039				
- Accrued profit		-	-	3,155,563	3,155,563				
- Cash and bank balances		-	-	255,592,925	255,592,925				
		-	-	552,985,137	552,985,137				
Financial liabilities not measured at fair value	26.2								
- Trade and other payables		-	-	(339,639,800)	(339,639,800)				
- Liabilities agaist right of use asset		-	-	(1,659,962)	(1,659,962)				
- Short Term Borrowing		-	-	(55,954,540)	(55,954,540)				
		-	-	(397,254,302)	(397,254,302)				

	Note	Carrying Value				Fair value			
31 December 2024 (Audited)		Fair value through Other Comprehensive Income	Fair value through Profit or Loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
		(Rupees)							
On balance sheet financial instruments									
Financial assets measured at fair value									
- Short term investments									
- Market treasury bills	26.1	97,944,858	-	-	97,944,858	-	97,944,858	-	97,944,858
- Long term investments									
- Investment in shares of Pakistan Stock Exchange Limited		44,481,946	-	-	44,481,946	44,481,946	-	-	44,481,946
		142,426,804	-	-	142,426,804	44,481,946	97,944,858	-	142,426,804
Financial assets not measured at fair value	26.2								
- Trade debts - net		-	-	162,976,302	162,976,302				
- Loan to employees		-	-	1,794,006	1,794,006				
- Deposits		-	-	134,957,017	134,957,017				
- Other receivables		-	-	216,850	216,850				
- Accrued Profit		-	-	3,478,178	3,478,178				
- Cash and bank balances		-	-	95,875,110	95,875,110				
		-	-	399,297,463	399,297,463				
Financial liabilities not measured at fair value	26.2								
- Trade and other payables		-	-	(205,545,390)	(205,545,390)				
- Liabilities agaist right of use asset		-	-	(3,359,036)	(3,359,036)				
- Short Term Borrowing		-	-	(57,163,844)	(57,163,844)				
		-	-	(266,068,270)	(266,068,270)				

26.1 Valuation techniques used in determination of fair values within level 2:

Investments in Market Treasury Bills are valued on the basis of the Pakistan Revaluation (PKRV) issued by the Mutual Funds Association of Pakistan (MUFAP).

26.2 Financial instruments not measured at fair values are stated at amortised cost.

27 CAPITAL RISK MANAGEMENT

The primary objective of the Company's capital management is to maintain healthy capital ratios and optimal capital structure in order to ensure ample availability of finance for its existing operations, for maximizing shareholder's value, for tapping potential investment opportunities and to reduce cost to safeguard the entity's ability to continue as a going concern.

The Company manages its capital structure and makes adjustment to it, in light of changes in economic conditions. Furthermore, the Company finances its operations through equity, borrowing and management of its working capital with a view to maintain an appropriate mix between various sources of finance to minimise risk.

28 CORRESPONDING FIGURES

Comparative figures have been re-arranged and reclassified wherever necessary for the purpose of comparison and better presentation. There have been no significant rearrangements or reclassification in these condensed interim financial statements.

29 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on 30 October 2025 by the Board of Directors of the Company.

Chief Executive Officer **Director**