

**Habib Metropolitan Financial
Services Limited**

**Condensed Interim Financial
Statements (Un-Audited)**

For the half year ended 30 June 2025



KPMG Taseer Hadi & Co.
Chartered Accountants
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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Habib Metropolitan Financial Services Limited

Report on review of Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **Habib Metropolitan Financial Services Limited** ("the Company") as at 30 June 2025 and the related condensed interim statement of profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows, and notes to the condensed interim financial statements for the half year ended 30 June 2025 (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, *"Review of Interim Financial Information Performed by the Independent Auditor of the Entity"*. A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.



KPMG Taseer Hadi & Co.

The engagement partner on the review resulting in this independent auditor's review report is Zeeshan Rashid.

Date: 29 August 2025

Karachi

UDIN: RR202510188MzWkD7oEg


KPMG Taseer Hadi & Co.
Chartered Accountants

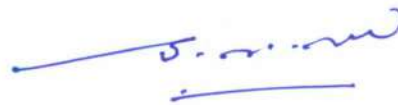
Habib Metropolitan Financial Services Limited
Condensed Interim Statement of Financial Position
As at 30 June 2025

		(Un-Audited) 30 June 2025	(Audited) 31 December 2024
	Note	----- (Rupees) -----	
ASSETS			
Non-current assets			
Equipment	5	13,198,705	14,112,765
Right of use asset	6	1,571,379	2,428,495
Intangible assets	7	1,728,932	2,046,543
Long term investment	8	44,834,595	44,481,946
		61,333,611	63,069,749
Current assets			
Trade debts- net	9	126,334,252	162,976,302
Loans to employees	10	1,171,227	1,794,006
Deposits and prepayments	11	88,017,429	135,641,737
Short term investments	12	98,441,224	97,944,858
Accrued profit		5,381,755	3,478,178
Other receivables		1,566,103	216,850
Advance taxation - net		44,529,789	42,308,092
Cash and bank balances	13	256,725,358	95,875,110
		622,167,137	540,235,133
Total assets		683,500,748	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 (loss) / profit		(5,140,245)	2,619,312
Surplus on revaluation of investments - net of tax		30,936,522	31,250,432
		325,796,277	333,869,744
Non-current liabilities			
Deferred tax liabilities	15	140,397	542,669
Liability against right of use assets - non current portion		-	1,049,448
		140,397	1,592,117
Current liabilities			
Liability against right of use assets - current portion		2,256,518	2,309,588
Trade and other payables	16	355,307,556	208,369,589
Short term borrowing - secured	17	-	57,163,844
		357,564,074	267,843,021
Total equity and liabilities		683,500,748	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



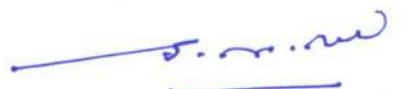
Director

Habib Metropolitan Financial Services Limited
Condensed Interim Statement of Profit or Loss Account (Un-Audited)
For the half year ended 30 June 2025

	Note	30 June	
		2025	2024
		----- (Rupees) -----	-----
Brokerage income	19	45,054,445	26,317,892
Income from investments			
- Amortisation income on Market Treasury Bills		5,940,335	10,073,035
- Realised gain on Market Treasury Bills		131,447	-
Administrative expenses	20	(65,358,320)	(60,326,902)
Finance cost		(455,429)	(247,609)
Provision for Sindh Workers' Welfare Fund		-	-
Charge of loss allowance for expected credit loss (ECL)		(939,362)	(158,536)
		(66,753,111)	(60,733,047)
Other income	21	10,803,316	11,589,613
Loss before income tax and minimum tax differential		(4,823,568)	(12,752,507)
Minimum tax differential	22	(3,066,004)	(2,005,695)
Loss before income tax		(7,889,572)	(14,758,202)
Provision for taxation			
- Current		-	-
- Deferred		130,015	179,466
		130,015	179,466
Loss after taxation		(7,759,557)	(14,578,736)
Loss per share - basic and diluted	23	(0.26)	(0.49)

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

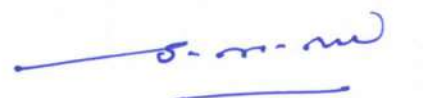
Condensed Interim Statement of Comprehensive Income (Un-Audited)

For the half year ended 30 June 2025

	30 June	
	2025	2024
	----- (Rupees) -----	
Loss after taxation	(7,759,557)	(14,578,736)
Other comprehensive income:		
<i>Items to be reclassified to statement of profit or loss account in subsequent periods</i>		
- Deficit on revaluation of debt investments carried at fair value	(938,816)	(37,801)
- Related deferred tax	272,257	1,207
	(666,559)	(36,594)
<i>Items not to be reclassified to statement of profit or loss account in subsequent periods</i>		
- Surplus on revaluation of equity shares investments carried at fair value	352,649	4,360,032
Total comprehensive loss for the period	(8,073,467)	(10,255,298)

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 half year ended 30 June 2025

	Issued, subscribed and paid up capital	Unappropriated profit / (loss)	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 half year ended 30 June 2024	-	(14,578,736)	-	(14,578,736)
Other Comprehensive Income - net surplus on revaluation of investments - net of tax	-	-	4,323,438	4,323,438
	-	(14,578,736)	4,323,438	(10,255,298)
Balance as at 30 June 2024 (Un-Audited)	300,000,000	(8,346,727)	6,600,188	298,253,461
Net loss for the half year ended 31 December 2024	-	10,966,039	-	10,966,039
Other Comprehensive Income - net deficit on revaluation of investments - net of tax	-	-	24,650,244	24,650,244
	-	10,966,039	24,650,244	35,616,283
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 half year ended 30 June 2025	-	(7,759,557)	-	(7,759,557)
Other Comprehensive Income - net deficit on revaluation of investments - net of tax	-	-	(313,910)	(313,910)
	-	(7,759,557)	(313,910)	(8,073,467)
Balance as at 30 June 2025 (Un-Audited)	<u>300,000,000</u>	<u>(5,140,245)</u>	<u>30,936,522</u>	<u>325,796,277</u>

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


Chief Executive Officer


Director

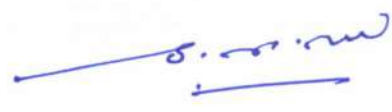
Habib Metropolitan Financial Services Limited
Condensed Interim Statement of Cash Flows (Un-Audited)
For the half year ended 30 June 2025

		30 June	
	Note	2025	2024
		----- (Rupees) -----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before income tax and minimum tax differential		(4,823,568)	(12,752,507)
Adjustments for:			
Amortisation income on Market Treasury Bills		(5,940,335)	(10,073,035)
Realised gain on Market Treasury Bills		(131,447)	
Expected credit loss (ECL) allowance		939,362	158,536
Interest on lease liability against right of use asset		125,570	221,458
Depreciation on equipment	20	2,159,125	2,057,577
Depreciation on right of use asset	20	857,116	857,116
Amortisation on intangible assets	20	626,611	709,899
		(1,363,998)	(6,068,449)
<i>Decrease / (Increase) in current assets</i>			
Receivable from customers		35,702,688	37,650,586
Loans to employees		622,779	564,366
Deposits and prepayments		47,624,308	(2,385,006)
Accrued profit		(1,903,577)	75,104
Other receivables		(1,349,253)	(699,734)
		80,696,945	35,205,316
<i>Increase / (decrease) in current liabilities</i>			
Trade and other payables		146,937,967	(57,363,167)
		221,447,346	(40,978,807)
Income taxes paid		(5,287,701)	(4,876,652)
Net cash generated from / (used in) operating activities		216,159,645	(45,855,459)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from the sale / maturity of investments		199,698,900	200,000,000
Purchase of investments		(195,062,300)	(190,903,500)
Purchase of equipment	5.1	(1,245,065)	-
Purchase of intangible assets	7.1	(309,000)	-
Net cash generated from investing activities		3,082,535	9,096,500
CASH FLOWS FROM FINANCING ACTIVITIES			
Lease rentals paid		(1,228,088)	(1,169,607)
Net cash used in financing activities		(1,228,088)	(1,169,607)
Increase / (decrease) in cash and cash equivalent		218,014,092	(37,928,566)
Cash and cash equivalents at beginning of the period		38,711,266	140,251,593
Cash and cash equivalents at end of the period		256,725,358	102,323,027
CASH AND CASH EQUIVALENTS			
Cash and bank balances	13	256,725,358	102,323,027
		256,725,358	102,323,027

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

Notes to the Condensed Interim Financial Statements (Un-Audited)

For the half year ended 30 June 2025

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 Critical accounting estimates and judgments

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.

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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 POLICY 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 PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS THAT ARE EFFECTIVE IN THE CURRENT PERIOD

- 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, INTERPRETATIONS OF AND AMENDMENTS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING 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 June 2025	(Audited) 31 December 2024
	----- (Rupees) -----	
Operating assets	<u>13,198,705</u>	<u>14,112,765</u>

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

	(Un-Audited) 30 June 2025	(Audited) 31 December 2024
	----- (Rupees) -----	
Office equipment	554,000	-
Computer equipment	691,065	-
	<u>1,245,065</u>	<u>-</u>

6 RIGHT OF USE ASSET

	(Un-Audited) 30 June 2025	(Audited) 31 December 2024
	----- (Rupees) -----	
Right of use asset	<u>1,571,379</u>	<u>2,428,495</u>

- 6.1 There have been no additions to and termination of right of use assets during the period..
- 6.2 The lease agreement will expire on 31 May 2026 and carries an incremental borrowing rate of 9.29% per annum.

7 INTANGIBLE ASSETS

	(Un-Audited) 30 June 2025	(Audited) 31 December 2024
	----- (Rupees) -----	
Computer softwares	<u>1,728,932</u>	<u>2,046,543</u>

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

	(Un-Audited) 30 June	
	2025	2024
	----- (Rupees) -----	
Computer software	309,000	-

**8 LONG TERM INVESTMENT
at fair value through other comprehensive income (OCI)**

	(Un-Audited) 30 June 2025 (Number of shares)	(Audited) 31 December 2024	Note	(Un-Audited) 30 June 2025 (Rupees)	(Audited) 31 December 2024 (Rupees)
Cost of investment	1,602,953	1,602,953		13,900,000	13,900,000
Surplus on revaluation of investment	-	-		30,934,595	30,581,946
Closing balance	1,602,953	1,602,953	8.1	44,834,595	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, Demutualization and Integration) Act, 2012 (the Act), all trading right entitlement certificate (TRE) certificate holders of Pakistan 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).

As at 30 June 2025 and as per slabs given under the above mentioned regulations, the Company is required to maintain a BMC of Rs. 30.94 million with PSX. Accordingly, the Company has complied with the said requirement in the following

- 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

		(Un-Audited) 30 June 2025 (Rupees)	(Audited) 31 December 2024 (Rupees)
Trade receivables from the customers	9.1	128,182,576	116,928,212
Less: Expected credit loss (ECL) allowance	9.2	(4,237,178)	(3,297,816)
		123,945,398	113,630,396
Receivable from NCCPL			
- ready market		-	48,807,872
- future market		2,388,854	538,034
		126,334,252	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 June 2025 (Rupees)	(Audited) 31 December 2024 (Rupees)
Habib Metropolitan Bank Limited (the Holding company)	1,083,878	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

9.2 Expected credit loss (ECL) allowance

(Un-Audited)	(Audited)
30 June	31 December
2025	2024
----- (Rupees) -----	

Opening Balance	3,297,816	2,742,892
Net charge during the period / year	939,362	554,924
Closing Balance	<u>4,237,178</u>	<u>3,297,816</u>

9.3 Ageing analysis

(Un-Audited)	
30 June 2025	
Amount	Custody value
----- (Rupees) -----	

The aging analysis of the trade receivables relating to purchase of shares is as follows:

Up to five days	9.3.1	115,966,276	496,391,135
More than five days	9.3.1	12,216,300	3,060,116,814
		<u>128,182,576</u>	<u>3,556,507,949</u>

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).

10 LOANS TO EMPLOYEES

(Un-Audited)	(Audited)
30 June	31 December
2025	2024
----- (Rupees) -----	

Unsecured, considered good		
Loans to Key Management Personnel	582,943	1,273,088
Loans to other employees	588,284	520,918
	<u>1,171,227</u>	<u>1,794,006</u>

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

11 DEPOSITS AND PREPAYMENTS

(Un-Audited)	(Audited)
30 June	31 December
2025	2024
----- (Rupees) -----	

Deposits with:

- NCCPL against the exposure	11.1	64,916,627	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
		<u>84,957,017</u>	<u>134,957,017</u>

Prepayments	3,060,412	684,720
	<u>88,017,429</u>	<u>135,641,737</u>

11.1 This represents margin deposit with NCCPL in accordance with the provisions of the Securities Act, 2015, carrying mark-up ranging from 10.10% to 11.10% (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 12.76% 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.

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.

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12 SHORT TERM INVESTMENTS - at fair value through OCI

Market treasury bills

Amortised cost

Surplus arising on revaluation during the period / year

Market Value

(Un-Audited) 30 June 2025	(Audited) 31 December 2024
----- (Rupees) -----	
98,438,510	97,003,328
2,714	941,530
<u>98,441,224</u>	<u>97,944,858</u>

12.1 Market Treasury Bills

Tenor	Effective rate %	Issue date	Face value				Amortised cost as at 30 June 2025	Market value as at 30 June 2025
			As at 01 January 2025	Purchased during the period	Matured / Sold during the period	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	98,438,510	98,441,224
			<u>100,000,000</u>	<u>200,000,000</u>	<u>200,000,000</u>	<u>100,000,000</u>	<u>98,438,510</u>	<u>98,441,224</u>

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

Note

(Un-Audited) 30 June 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

- Habib Bank Limited

- Meezan Bank Limited

13.1

26,611,608

50,000

13.2

650,325

613,370

13.3

8,827

8,518

27,270,760

671,888

Current accounts:

- Habib Metropolitan Bank Limited - the Holding Company

- MCB Bank Limited

13.4

227,644,158

93,623,856

1,785,440

1,554,366

229,429,598

95,178,222

258,725,358

95,875,110

13.1 These represent balances maintained in the profit and loss sharing accounts, carrying mark-up ranging from 8.00% to 9.00% per annum (31 December 2024: 13.50% to 20.50%) per annum.

13.2 These represent balances maintained in the profit and loss sharing accounts, carrying mark-up ranging from 9.50% to 11.50% per annum (31 December 2024: 13.50% to 20.50%) per annum.

13.3 These represent balances maintained in the profit and loss sharing accounts, carrying mark-up ranging from 7.46% to 8.01% per annum (31 December 2024: 7.51% to 11.01%) per annum.

(Un-Audited) 30 June 2025	(Audited) 31 December 2024
----- (Rupees) -----	

13.4 Customers' assets held in the designated bank accounts

227,644,158

93,623,856

13.5 Customers' assets held in the CDC account

7,085,439,760

6,083,542,950

13.6 Customers' securities pledged with financial institutions

70,185,265

83,360,612

14 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

As of the balance sheet date, 29,999,998 (31 December 2024: 29,999,997) shares were held by the Holding company and 2 (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:

	(Audited)					(Un-Audited)
	Balance as at 1 January 2024	Recognised in Statement of Profit or Loss	Recognised in Statement of Comprehensive Income	Balance as at 31 December 2024	Recognised in Statement of Profit or Loss	Recognised in Statement of Comprehensive Income
----- (Rupees) -----						
Taxable temporary difference:						
Equipment	(677,724)	472,388	-	(205,336)	145,914	-
						(59,422)
Intangible assets	(42,700)	(21,589)	-	(64,289)	(15,899)	-
						(80,188)
(Surplus) / deficit on revaluation of investments - net	(1,207)	-	(271,837)	(273,044)	-	272,257
	<u>(721,631)</u>	<u>450,799</u>	<u>(271,837)</u>	<u>(542,669)</u>	<u>130,015</u>	<u>272,257</u>
						<u>(140,397)</u>

The Company, as a measure of prudence, has not recognized deferred tax asset of Rs. 1.87 million (31 December 2024: 1.67million) on deductible temporary differences.

16 TRADE AND OTHER PAYABLES

		(Un-Audited) 30 June 2025	(Audited) 31 December 2024
	Note	----- (Rupees) -----	
Due to customers in respect of securities transactions		193,860,385	192,174,433
Payable to NCCPL		147,300,224	-
Payable to workers' welfare fund	16.1	2,736,523	2,736,523
Accrued expenses		11,410,424	13,370,957
Sindh sales tax payable - net		-	87,676
		<u>355,307,556</u>	<u>208,369,589</u>

- 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.0.95 million.

17 SHORT TERM BORROWING

		(Un-Audited) 30 June 2025	(Audited) 31 December 2024
	Note	----- (Rupees) -----	
Habib Metropolitan Bank Limited - The Holding Company	17.1	-	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 31 August 2025 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 June 2025 (31 December 2024 : Capital Commitment of Rs 0.3 million).

19 BROKERAGE INCOME

		(Un-Audited) 30 June 2025	2024
	Note	----- (Rupees) -----	
Brokerage income	19.1, 19.2 & 19.3	<u>45,054,445</u>	<u>26,317,892</u>

19.1 Disaggregation of brokerage income**(Un-Audited)
30 June**

Below, revenue is disaggregated by type of customers:

- Corporate customers
- Individual customers

2025	2024
(Rupees)	
25,550,030	16,714,127
19,504,415	9,603,765
45,054,445	26,317,892

19.2 This includes brokerage from related parties amounting to Rs. 1.88 million (30 June 2024: Rs. 2.01 million).**19.3** Brokerage revenue includes Rs. 7.25 million (30 June 2024: Rs. 1.35 million) from customers outside the country.**20 ADMINISTRATIVE EXPENSES****(Un-Audited)
30 June**

	Note	2025	2024
(Rupees)			
Salaries and benefits	20.1	43,198,841	37,429,504
Repairs and maintenance		3,710,465	3,112,159
Pakistan Stock Exchange (PSX) clearing house, CDC and NCCPL charges		3,636,815	2,271,159
Communication		3,615,012	3,258,557
Depreciation on equipment		2,159,125	2,057,577
Auditors' remuneration		1,471,600	1,268,052
Insurance		1,403,228	1,273,731
Utilities and office general expenses		1,277,178	1,090,299
Entertainment and business promotions		1,141,605	362,349
Fees and subscription		1,076,821	898,608
Depreciation on right of use asset		857,116	857,116
Amortisation of intangible assets		626,611	709,899
Legal and professional charges		572,088	607,230
Travelling and conveyance		124,673	91,470
Printing and stationery		109,330	110,265
Professional tax		72,000	55,500
Provision against penalty imposed by FBR		-	4,552,500
Rent		-	66,003
Others		305,812	254,924
		65,358,320	60,326,902

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

	Chief Executive Officer (CEO) (Un-Audited) 30 June		Executives (Un-Audited) 30 June	
	2025	2024	2025	2024
(Rupees)				
Managerial remuneration	8,681,480	7,960,832	15,691,124	12,440,987
Bonus	1,375,000	1,250,000	2,102,726	1,764,954
	10,056,480	9,210,832	17,793,850	14,205,941
Number of persons	1	1	7	6

20.1.1 In addition to the above, the Chief Executive Officer 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.

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21 OTHER INCOME

		(Un-Audited) 30 June	
		2025	2024
		(Rupees)	
Reversal of provision against penalty imposed by FBR		4,512,500	-
Return on NCCPL exposure margin		4,281,713	5,763,477
Return on PSX BMC deposit		1,266,878	2,017,377
Mark-up on bank balances		709,966	3,629,362
Amortisation of loan to employees		32,177	175,122
Physical shares transfer		82	94
IPO / book building brokerage income		-	4,181
		<u>10,803,316</u>	<u>11,589,613</u>

22 MINIMUM TAX DIFFERENTIAL

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.

23 LOSS PER SHARE BASIC AND DILUTED

		(Un-Audited) 30 June	
		2025	2024
		(Rupees)	
Loss after taxation		<u>(7,759,557)</u>	<u>(14,578,736)</u>
		(Number)	
Weighted average ordinary shares during the period		<u>30,000,000</u>	<u>30,000,000</u>
		(Rupees)	
Earning per share - basic and diluted		<u>(0.26)</u>	<u>(0.49)</u>

24 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.

24.1 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 June	
		2025	2024
		(Rupees)	
Habib Metropolitan Bank Limited - the Holding Company			
- Equity brokerage commission		<u>1,812,794</u>	<u>1,807,569</u>
- Lease rentals paid		<u>1,228,088</u>	<u>1,169,607</u>
- Mark-up on bank balance		<u>682,163</u>	<u>3,568,831</u>
- Finance cost		<u>439,291</u>	<u>246,856</u>
- Referral fee		<u>375</u>	<u>-</u>
Key Management Personnel			
- Salaries and benefits		<u>26,821,879</u>	<u>23,417,829</u>
- Equity brokerage commission		<u>17,854</u>	<u>21,459</u>
Habib Bank AG Zurich - Ultimate Parent Company			
- Equity brokerage commission		<u>9,342</u>	<u>156,768</u>

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	(Un-Audited) 30 June	
	2025	2024
	----- (Rupees) -----	
Associated Entities - Equity Brokerage Commission		
First Habib Modaraba - Employee Provident Fund - (post employment benefit plan of the subsidiary of the Holding Company)	<u>21,599</u>	<u>-</u>
Habib Metropolitan Modaraba Management Company (Private) Limited - Employee Provident Fund - (post employment benefit plan of the subsidiary of the Holding Company)	<u>18,685</u>	<u>105,135</u>
First Habib Modaraba - (subsidiary of the Holding Company)	<u>-</u>	<u>-</u>
Habib Metropolitan Modaraba Management Company (Private) Limited - (subsidiary of the Holding Company)	<u>-</u>	<u>-</u>
Habib Metro Exchange Services Limited - (subsidiary of the Holding Company)	<u>-</u>	<u>-</u>

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

	(Un-Audited) 30 June 2025	(Audited) 31 December 2024
	----- (Rupees) -----	
Habib Metropolitan Bank Limited - The Holding Company		
- Bank balances	<u>254,255,766</u>	<u>93,673,856</u>
- Receivable in respect of securities transactions - net	<u>417,930</u>	<u>280,039</u>
- Accrued profit on bank balance	<u>306,965</u>	<u>39,988</u>
- Referral fee payable	<u>375</u>	<u>-</u>
- Short term borrowing	<u>-</u>	<u>57,163,844</u>
Key Management Personnel		
- Loan to key management personnel	<u>582,943</u>	<u>1,273,088</u>
- Payable in respect of securities transactions	<u>(198,725)</u>	<u>(261,539)</u>
Habib Bank AG Zurich - Ultimate Parent Company		
- Receivable / (payable) in respect of securities transactions	<u>-</u>	<u>-</u>
Associated Entities - Receivable/ (payable) in respect of securities transactions - net		
First Habib Modaraba - (subsidiary of the Holding Company)	<u>-</u>	<u>67</u>
Habib Metropolitan Modaraba Management Company (Private) Limited - (subsidiary of the Holding Company)	<u>-</u>	<u>7,096</u>
Habib Metro Exchange Services Limited - (subsidiary of the Holding Company)	<u>-</u>	<u>-</u>
Habib Metropolitan Modaraba Management Company (Private) Limited - Employee Provident Fund - (post employment benefit plan of the subsidiary of the Holding Company)	<u>(5)</u>	<u>379,352</u>
First Habib Modaraba - Employee Provident Fund - (post employment benefit plan of the subsidiary of the Holding Company)	<u>(50,878)</u>	<u>(58,875)</u>
Directors of the Holding Company		
- Payable in respect of securities transactions - net	<u>(697,323)</u>	<u>(448,826)</u>

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24.3 Number of employees

(Un-Audited)	(Audited)
30 June	31 December
2025	2024
(Number of employees)	

Number of employees as at the period / year end	<u>27</u>	<u>26</u>
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Average number of employees as at the period / year end	<u>27</u>	<u>26</u>
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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 half year ended 30 June 2025, the personnel employed in the research department have drawn an aggregate salary and benefits amounting to Rs. 5.31 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).

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30 June 2025 (Un-Audited)

Note	30 June 2020 (GfK Rupees)							
	Carrying Value			Fair value				
	Fair value through Profit or Loss	Fair value through Other Comprehensive Income	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
26.1	-	98,441,224	-	98,441,224	-	98,441,224	-	98,441,224
	-	44,834,595	-	44,834,595	44,834,595	-	-	44,834,595
	-	143,275,819	-	143,275,819	44,834,595	98,441,224	-	143,275,819
26.2	-	-	126,334,252	126,334,252	-	-	-	-
	-	-	1,171,227	1,171,227	-	-	-	-
	-	-	84,957,017	84,957,017	-	-	-	-
	-	-	113,348	113,348	-	-	-	-
	-	-	5,381,755	5,381,755	-	-	-	-
	-	-	256,725,358	256,725,358	-	-	-	-
	-	-	474,682,957	474,682,957	-	-	-	-

-	(352,571,033)	(352,571,033)
-	(2,256,518)	(2,256,518)
-	-	-
-	(354,827,551)	(354,827,551)

	31 December 2024 (Audited)					
	Carrying Value			Fair value		
Note	Fair value through Profit or Loss	Fair value through Other Comprehensive Income	Amortised Cost	Total	Level 1	Level 2 Level 3
				Total		Total
(Rupees)						

26.1	-	97,944,858	-	97,944,858	-	97,944,858
	-	44,481,946	-	44,481,946	-	44,481,946
	-	142,426,804	-	142,426,804	-	142,426,804
26.2	-	-	-	-	-	-
	-	162,976,302	-	162,976,302	-	-
	-	1,794,006	-	1,794,006	-	-
	-	134,957,017	-	134,957,017	-	-
	-	216,850	-	216,850	-	-
	-	3,478,178	-	3,478,178	-	-
	-	95,875,110	-	95,875,110	-	-
	-	399,297,463	-	399,297,463	-	-

-	(205,545,390)	(205,545,390)
-	(3,359,036)	(3,359,036)
-	(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) rates 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 29 August 2025 by the Board of Directors of the Company.



Chief Executive Officer



Director