

HABIBMETRO Exchange Services Limited **Directors' Report to the Shareholders**

On behalf of the Board of Directors of HABIBMETRO Exchange Services Limited (HMES), we are pleased to present the audited financial statements of the Company for the year ended 31 December 2025.

Economic Review

Pakistan's economy continued to show gradual stabilization in 2025, navigating both domestic and external challenges. As per the State Bank of Pakistan (SBP) annual report 2024-25, real GDP grew by 3.0% in FY 2024-25, slightly higher than the previous year's 2.6%, though still insufficient to significantly reduce poverty, which remained around 40.5%–41%, reflecting slow improvements in household incomes and employment opportunities. The SBP, considering the visible increase in high-frequency indicators including sales of automobiles, cement, POL products and import volumes in July –August FY26, projects the real GDP growth close to 3.25% during FY 2025-26.

Inflation moderated markedly during the year, averaging around 3.7%, down from approximately 12.8% in 2024, with December 2025 reporting a YoY headline rate of 5.6%. This disinflationary trend, supported by improved supply-side conditions, prudent monetary policy, and lower global commodity prices, helped ease cost pressures and improve liquidity in the foreign exchange market. In line with declining inflation, the SBP gradually eased its policy rate i-e from 12% to 10.50%, further supporting consumer demand and investment activity.

The economy also benefited from continued support under the IMF's Extended Fund Facility (EFF) and Resilience and Sustainability Facility (RSF). During 2025, the IMF approved tranche disbursements of USD 2 billion under the EFF and USD 200 million under the RSF, raising total support to about USD 3.3 billion. These funds strengthened foreign exchange reserves, which reached approximately USD 16.05 billion in January 2026, and reinforced macroeconomic confidence while supporting fiscal and structural reforms.

Significant tax reforms in FY 2025-26 budget aimed at supporting economic growth and fiscal consolidation. Key measures included abolishing the 3% Federal Excise Duty on property transfers, reducing withholding taxes on property transactions, adjusting income tax slabs for salaried individuals, and introducing a Climate Support Levy on petroleum products. These reforms, combined with stricter enforcement of tax compliance, are expected to improve formal sector participation.

The Pakistan Stock Exchange (PSX) recorded strong performance, with the KSE-100 Index rising from 115,127 points at end-2024 to 175,189 points by December 2025, achieving new all-time highs above 175,000 points during the year. This reflects renewed investor confidence driven by macroeconomic stabilization, improved corporate performance, and supportive policy measures.



Despite these positive developments, challenges remain, including a persistent fiscal deficit, subdued industrial growth, and external vulnerabilities. Sustaining economic stability and fostering inclusive growth will require continued implementation of structural reforms, enhanced fiscal discipline, and careful management of inflation and exchange rate volatility. Bank-owned exchange companies, benefiting from strong regulatory oversight and macroeconomic support, remain well-positioned to navigate these challenges while supporting formal foreign exchange market activity.

Principal Risks & Uncertainties

Exchange companies in Pakistan continue to operate in a challenging environment shaped by regulatory changes, economic volatility, and evolving remittance patterns. In FY 2025, workers' remittances reached a record USD 38.3 billion, growing 26.6% year on year compared to FY 2024, however the majority of inflows were received through electronic channels, reducing the volume of physical currency transactions, which remain the primary source of margins for exchange companies. Currency, market volatility and SBP compliance requirements, including AML and reporting standards, add to operational complexity, while competition from excessive currency outlets, Fintech and informal channels continues to pressure margins. Even though the Pakistan Remittance Initiative (PRI) under the State Bank of Pakistan has been allowed to exchange companies, there remains a lack of product diversity within the currency exchange industry. In this context, proactive risk management, investment in digital and technological capabilities, and strengthened compliance frameworks are essential for sustaining resilience and long-term viability in Pakistan's formal foreign exchange market.

Company Overview

HABIBMETRO Exchange Services Limited (HMES), a wholly owned subsidiary of Habib Metropolitan Bank Limited, operates under the regulatory framework of the State Bank of Pakistan (SBP).

During the year under review, the Company continued to enhance its operational presence and governance structure ensuring full compliance with the SBP Regulatory Framework for Exchange Companies. In 2025, as per SBP requirement, HMES successfully completed operations of 50 outlets (1 flagship branch and 49 booths) in 36 cities all over Pakistan. As at December 31, 2025, the Company's paid-up capital stood at PKR 1 billion.

Financial Performance

HMES posted a loss after tax of Rs. 86.214 million for the year ended 31 December 2025 as compared to a profit after tax of Rs. 18.610 million for the period ended 31 December 2024.



Accordingly, loss per share stood at Rs. 0.86 as compared to earnings per share of Rs. 0.19 in the preceding year.

During the year, income from exchange operations increased significantly to Rs. 52.667 million compared to Rs. 9.022 million in 2024, mainly due to expansion during the year 2025 and full year's operation of branch/booths opened in 2024. Other income amounted to Rs. 62.532 million as compared to Rs. 157.472 million in the preceding year. Other income for the current year includes mark-up on Government securities together with amortization of premium/discount amounting to Rs. 50.830 million (2024: Rs. 21.346 million) and mark-up income on deposit account of Rs. 11.412 million (2024: Rs. 136.126 million). The decline in mark-up income mainly attributable to the significant reduction in SBP policy rate resulting reduction in yield on Government securities and disposal of investments during the year. The Company also recorded a gain on sale of securities amounting to Rs. 0.291 million during the year.

Finance cost amounted to Rs. 6,445 million, compared to Rs. 6.466 million in 2024, primarily representing finance cost on lease liabilities. Administrative expenses increased to Rs. 230.183 million as compared to Rs. 133.816 million in the preceding year, mainly attributable to expansion of operations during the year 2025 and full-year impact of establishment and operational costs.

As at 31 December 2025, Property, Plant and Equipment stood at Rs. 120.426 million compared to Rs. 56.898 million in 2024. Right-of-use assets amounted to Rs. 23.207 million (2024: Rs. 26.108 million), while Intangible assets stood at Rs. 2.435 million (2024: Rs. 4.151 million), representing amortized cost of the Core Business Application. Total Investments stood at Rs. 258.870 million as compared to Rs. 353.791 million in the preceding year. Investment made in compliance with the Statutory Liquidity Requirement (SLR) of the State Bank of Pakistan amounted to Rs. 160.977 million (2024: Rs. 159.313 million). Lease liabilities (Head office and flagship branch premises) amounted to Rs. 28.792 million as compared to Rs. 28.913 million in the preceding year.

Post Balance Sheet Events

No material changes in the financial position of the company have occurred between the end of the financial year of the company to which the balance sheet relates and the date of this report. In order to enhance the operational capacity of HMES and to ensure compliance with the minimum capital requirement of PKR 1 billion, the Board initiated enhancement of capital by PKR 500 million from the Parent Company during the year under review which will be injected in 2026 subject to compliance with the regulatory requirements. This injection will support in improvement of HMES's profitability in future.

Financial Statement

Chief Executive Officer and Chief Financial Officer of the company have reviewed and endorsed these financial results and the same were approved by the Board of Directors before presenting



them to the shareholders for their consideration, approval and adoption. M/S KPMG Taseer Hadi & Co has audited the financial statements and has issued an unqualified report to the members.

Corporate Governance

The Directors are pleased to state as follows:

- a) The financial statements, prepared by the management of HMES present fairly its state of affairs, the results of its operations, cash flows and changes in equity.
- b) Proper books of accounts have been maintained by HMES.
- c) Appropriate accounting policies have been applied in preparation of financial statements, and financial estimates are based on reasonable and prudent judgement.
- d) International Financial Reporting Standards (IFRS), as applicable in Pakistan have been followed in preparation of the financial statements and any departures therefrom has been adequately disclosed and explained.
- e) The system of internal controls is sound in design and has been effectively implemented and monitored.
- f) There are no significant doubts upon HMES's ability to continue as a going concern.

Meetings of the Directors

During the year 5 (five) meetings of the Board of Directors were held, the attendance of each director for these meetings is as follows:

<u>Name</u>	<u>Meetings Attended</u>
Syed Ather Ahmed	05
Syed Hasnain Haider Rizvi	04
Mr. Ather Ali Khan**	03
Yawer Ali Gulani	05

(**Resigned effective from 5th May, 2025)

Auditors

The retiring auditors, M/s. KPMG Taseer Hadi & Co., Chartered Accountants, have offered themselves for reappointment for the year ending December 31, 2026 at a fee of Rs. 2.50 million, excluding out-of-pocket expenses and related taxes.

Pattern of Shareholding



No. of Shareholders	No. of shares		Total shares held
	From	To	
3	1	500	3
1	Above 500 shares		99,999,997
4			100,000,000

Future Outlook

The outlook for exchange companies in Pakistan remains cautiously optimistic in the short to medium term, supported by ongoing macroeconomic stabilization. Continued progress under the IMF-supported Extended Fund Facility (EFF) and Resilience and Sustainability Facility (RSF) has strengthened market confidence. This multibillion-dollar program is aimed at entrenching macroeconomic stability, rebuilding external buffers, and supporting structural reforms in Pakistan's economy, which in turn benefits foreign exchange market liquidity and formal exchange channels.

Bank-owned exchange companies continue to benefit from robust governance, regulatory compliance, and established infrastructure, positioning them well to capture growth opportunities. However, ongoing risks from currency volatility, evolving regulatory requirements, and competitive pressures persist. Sustainable growth will depend on the Company's ability to optimize operations, embrace digital solutions, and adapt to evolving macroeconomic and regulatory conditions in Pakistan's foreign exchange landscape.

Acknowledgement

In conclusion, we wish to place on record our sincere gratitude to the State Bank of Pakistan and the Securities and Exchange Commission of Pakistan for their continued support and guidance. We would like to thank HMES's valued clients for their trust and patronage that they extended to HMES. Lastly, we would like to acknowledge the unwavering dedication of the staff of HMES, who work tirelessly for establishment of HMES and to provide uninterrupted services to the clients.

On behalf of the Board of Directors



Chief Executive Officer



Chairman

Dated: March 27, 2026



KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh Sultan Trust Building No. 2, Beaumont Road
Karachi 75530 Pakistan
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INDEPENDENT AUDITOR'S REPORT

To the members of HABIBMETRO Exchange Services Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **HABIBMETRO Exchange Services Limited** (the Company), which comprise the statement of financial position as at 31 December 2025, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year ended 31 December 2025, and notes to the financial statements, including a material accounting policy information and other explanatory information and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at 31 December 2025 and of the loss, the comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Director's Report but does not include the financial statements and our auditor's reports thereon.



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Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and the Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan, the requirements of the Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).



KPMG Taseer Hadi & Co.

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

Date: 30 March 2026

Karachi

UDIN: AR202510188Dji0uoXSR

A handwritten signature in blue ink, appearing to read 'Zeeshan Rashid', written over a horizontal line.

KPMG Taseer Hadi & Co.
Chartered Accountants

HABIBMETRO Exchange Services Limited

Statement of Financial Position

As at 31 December 2025

	Note	2025	2024
		(Rupees)	
ASSETS			
Non-current assets			
Property and equipment	4	120,426,913	56,897,879
Right of use asset	5	23,207,487	26,108,423
Intangible asset	6	2,434,564	4,151,057
Long term investments	7	258,869,514	353,791,429
Deferred tax assets - net	8	43,309,275	7,436,639
		<u>448,246,753</u>	<u>448,385,427</u>
Current assets			
Short term investment	9	-	100,027,142
Advance, prepayments and other receivables	10	6,055,959	9,237,876
Accrued mark-up	11	10,529,375	13,559,540
Cash and bank balances	12	489,358,690	476,178,649
Taxation - net	13	19,764,531	7,034,509
		<u>525,708,555</u>	<u>606,037,716</u>
TOTAL ASSETS		<u>973,955,308</u>	<u>1,054,423,143</u>
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised share capital			
100,000,000 ordinary shares of Rs. 10 each		<u>1,000,000,000</u>	<u>1,000,000,000</u>
Issued, subscribed and paid-up share capital	14	<u>1,000,000,000</u>	<u>1,000,000,000</u>
Unappropriated profit		<u>(67,604,024)</u>	<u>18,610,298</u>
		<u>932,395,976</u>	<u>1,018,610,298</u>
Non-current liabilities			
Lease Liability against right of use asset	15	28,639,867	28,791,535
Current liabilities			
Lease Liability against right of use asset	15	151,668	121,112
Creditors, accrued and other liabilities	16	12,767,797	6,900,199
		<u>12,919,465</u>	<u>7,021,311</u>
TOTAL EQUITY AND LIABILITIES		<u>973,955,308</u>	<u>1,054,423,144</u>
CONTINGENCIES AND COMMITMENTS			
	17		

The annexed notes from 1 to 32 and annexures I and II form an integral part of these financial statements.


Chief Executive Officer


Chairman

HABIBMETRO Exchange Services Limited

Statement of Profit or Loss

For the year ended 31 December 2025

	Note	2025	For the period from 22 November 2023 to 31 December 2024
------(Rupees)-----			
Income from exchange operation (including gain on revaluation - net)	18	52,666,783	9,022,240
Administrative expenses	19	(230,182,839)	(133,816,204)
Operating loss		(177,516,056)	(124,793,964)
Finance cost	20	(6,445,015)	(6,466,326)
Other income - net	21	62,532,447	157,471,977
(Loss) / profit before income tax and minimum tax differential		(121,428,624)	26,211,687
Minimum tax differential	22	(658,334)	-
(Loss) / profit before income tax		(122,086,958)	26,211,687
Income tax			
Current - for the year	22	-	(15,038,029)
Deferred - for the year	22	35,872,636	7,436,640
(Loss) / profit after taxation for the year / period		(86,214,322)	18,610,298
Earnings per share - basic and diluted	23	(0.86)	0.19

The annexed notes from 1 to 32 and annexures I and II form an integral part of these financial statements.


Chief Executive Officer


Chairman

HABIBMETRO Exchange Services Limited

Statement of Comprehensive Income

For the year ended 31 December 2025

	2025	For the period from 22 November 2023 to 31 December 2024
	----- (Rupees) -----	
(Loss) / profit before taxation for the year / period	(86,214,322)	18,610,298
Other comprehensive income for the year / period	-	-
Total comprehensive (loss) / income for the year / period	<u>(86,214,322)</u>	<u>18,610,298</u>

The annexed notes from 1 to 32 and annexures I and II form an integral part of these financial statements.



Chief Executive Officer



Chairman

HABIBMETRO Exchange Services Limited
Statement of Changes in Equity
For the year ended 31 December 2025

	Issued, subscribed and paid-up share capital	Unappropriated profit	Total
	----- (Rupees) -----		
Shares issued during the period	1,000,000,000	-	1,000,000,000
Profit for the period	-	18,610,298	18,610,298
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	-	18,610,298	18,610,298
Balance as at 31 December 2024	1,000,000,000	18,610,298	1,018,610,298
Shares issued during the year	-	-	-
Loss for the year	-	(86,214,322)	(86,214,322)
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	(86,214,322)	(86,214,322)
Balance as at 31 December 2025	<u>1,000,000,000</u>	<u>(67,604,024)</u>	<u>932,395,976</u>

The annexed notes from 1 to 32 and annexures I and II form an integral part of these financial statements.


 Chief Executive Officer


 Chairman

HABIBMETRO Exchange Services Limited

Statement of Cash Flows

For the year ended 31 December 2025

	Note	2025	For the period from 22 November 2023 to 31 December 2024
----- (Rupees) -----			
CASH FLOWS FROM OPERATING ACTIVITIES			
(Loss) / profit before taxation		(121,428,624)	26,211,687
Adjustments for:			
Depreciation on property and equipment	19	25,793,945	9,590,088
Depreciation on right of use asset	5	2,900,936	2,900,936
Amortisation of intangible asset	6	1,716,493	998,943
Amortisation expense / (income) on long term investments	21	1,148,035	(566,130)
Interest income on long term investments	21	(43,387,010)	(19,949,763)
Interest income on short term investments	21	(8,590,675)	(831,195)
Finance cost on liability against right of use asset	20	6,429,988	6,454,388
Gain on sale of investments		(290,528)	-
Interest income on deposit account	21	(11,412,269)	(138,125,889)
		(25,691,085)	(137,527,622)
Decrease / (increase) in Current assets			
Advances, prepayments and other receivables	10	3,181,917	(9,237,876)
Increase in Current liabilities:			
Creditors, accrued and other liabilities	16	5,867,598	6,900,199
		(138,070,194)	(113,653,812)
Income taxes paid	13	(13,388,357)	(22,072,538)
Net cash used in operating activities		(151,458,551)	(135,726,150)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property and equipment	4	(89,321,979)	(66,487,967)
Purchase of intangible asset	6	-	(5,150,000)
Markup / interest income received	11 & 21	66,420,119	143,347,307
Proceeds from sale of investments		194,091,550	-
Purchase of investments bonds		-	(453,253,441)
Net cash generated / (used in) from investing activities		171,189,690	(381,544,101)
CASH FLOWS FROM FINANCING ACTIVITIES			
Issuance of shares	14	-	1,000,000,000
Lease rentals paid	15.1	(6,551,100)	(6,551,100)
Net cash (used in) / generated from financing activities		(6,551,100)	993,448,900
Net increase in cash and cash equivalents		13,180,040	476,178,649
Cash and cash equivalents at the beginning of year / period		476,178,649	-
Cash and cash equivalents at the end of the year / period		489,358,690	476,178,649

The annexed notes from 1 to 32 and annexures I and II form an integral part of these financial statements.


Chief Executive Officer


Chairman

HABIBMETRO Exchange Services Limited

Notes to the Financial Statements

For the year ended 31 December 2025

1 LEGAL STATUS AND NATURE OF BUSINESS

HABIBMETRO Exchange Services Limited (the Company) was incorporated in Pakistan on 22 November 2023 as a public limited company under the Companies Act, 2017. The Company is required to operate in accordance with the rules and regulations laid down by the State Bank of Pakistan (SBP) through F.E Circular No. 9 dated 30 July 2002. The Company is a wholly owned subsidiary of Habib Metropolitan Bank Limited (the Holding Company). The Ultimate parent company is Habib Bank AG Zurich (with 51% shares in the Bank) which is incorporated in Switzerland.

The Company commenced its operations on 27 May 2024 and is engaged in the business of dealing in currency exchange. The Company operates with 1 branch and 49 booths (2024: 1 branch and 16 booths). The addresses of all branches are annexed as "Annexure I", which is an integral part of these financial statements. The Company's registered office is situated at Ground Floor, Al-Manzoor Building, I.I. Chundrigar Road, Karachi.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of, directives and notifications issued under the Companies Act, 2017.

Where provisions of, directives and notifications issued under the Companies Act, 2017 differ from the IFRS Accounting Standards, the provisions of, directives and notifications issued under the Companies Act, 2017 have been followed.

2.2 BASIS OF MEASUREMENT

Accounting convention

These financial statements have been prepared under the historical cost convention, except that obligation in respect of lease liability has been carried at present value and right-of-use asset which is initially measured at an amount equal to the corresponding lease liability (adjusted for any lease payments and certain specified costs) and depreciated over the lease term.

2.3 Functional and presentation currency

These financial statements are presented in Pakistani Rupees, which is the Company's functional and presentation currency.

2.4 Critical accounting estimates and judgements

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

Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revision to accounting estimates are recognised prospectively commencing from the period of revision. Areas where judgements and estimates made by the management that may have a significant effect on the amounts recognised in the financial statements are included in the following notes:

- i) Classification and valuation of financial assets and liabilities (note 3.4.1 and 3.5)
- ii) Residual value and useful lives of property and equipment (note 4.1)
- iii) Income taxes (note 4.10)
- iv) Right of use asset and related lease liability (note 5.1)
- v) Residual value and useful lives of intangible assets (note 6.1)

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2.5 Standards, interpretations and amendments to the accounting and reporting standards as applicable in Pakistan which became effective in the current year

There are certain new and amended standards, interpretations and amendments that are mandatory for the Company's accounting period, beginning 1 January 2025. However, these are not considered to be relevant or do not have any significant effect on the Company's operations and therefore have not been detailed in these financial statements.

2.6 Standards, interpretations and Amendments to published approved accounting and reporting standards not yet effective

Following standards, interpretations of and amendments to approved accounting and reporting standards will be effective from the dates (for the accounting periods) as stated below against the respective standards, interpretations of and amendments to:

Standard or Amendments	Effective date annual period beginning on or after
- Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 & IFRS 7	1 January 2026
- Amendments to IFRS 10 and IAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2026
- Amendments to IAS 21 – Hyperinflationary presentation currency	1 January 2026
- IFRS S1 – General Requirements for Disclosure of Sustainability-related Financial Information	1 January 2027
- IFRS S2 – Climate-related Disclosures	1 January 2027
- Presentation and Disclosure in Financial Statements – IFRS 18	1 January 2027

The management of the Company is assessing the impact of the changes in the above mentioned standards on these financial statements.

3 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies adopted in the preparation of these financial statements are set out below. Further, accounting policies related to material class of transaction and accounts does not necessarily mean it is material. These policies have been consistently applied to all the period presented.

3.1 Property and equipment

These are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation is charged on a straight line basis, and recognised in the statement of profit or loss, over the estimated useful life of the asset at the rates specified in note 4.1. Depreciation on additions is charged from the date of addition. In case of disposals during the year, the depreciation is charged up till the date of disposal.

Useful lives are determined by the management based on expected usage of the assets, expected physical wear and tear, technical and commercial obsolescence and other similar factors. The residual value, useful life and depreciation method are reviewed at each reporting date, and adjusted if expectations differ significantly from previous estimates.

Maintenance and normal repairs are charged to the statement of profit or loss as and when incurred. Subsequent costs shall be included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Gain or losses on disposal of property and equipment, if any, are included in the statement of profit or loss.

3.2 Intangible asset

Intangible asset is stated at cost less accumulated amortisation impairment, if any. The cost of intangible asset is amortised from the month when the asset is available for intended use, using straight line method, whereby the cost of intangible asset is amortised over its estimated useful life over which economic benefits are expected to flow to the Company. The useful life and amortisation method is reviewed and adjusted, if appropriate, at each reporting date.

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3.3 Right of use asset and related liability

3.3.1 Right of use asset

On initial recognition, right of use asset is measured at an amount equal to initial lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to be incurred to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located. Right of use asset is subsequently stated at cost less any accumulated depreciation accumulated impairment losses and are adjusted for any remeasurement of lease liability. The remeasurement of lease liability will only occur in cases where the terms of the lease are changed during the lease tenor. Right of use asset is depreciated using the straight-line method from the commencement date of the lease contract to the end of the useful life of the right of use of asset or the end of the lease term, whichever is earlier. Depreciation on additions (new leases) is charged from the month in which the leases are entered into. No depreciation is charged in the month in which the leases mature or are terminated.

3.3.2 Lease Liability against right of use asset

The lease liabilities are initially measured as the present value of the remaining lease payments, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, then at the applicable incremental borrowing rate. The lease liability is subsequently measured at amortised cost using the effective interest rate method. The lease liability is also remeasured to reflect any reassessment or change in lease terms. These remeasurements of lease liabilities are recognised as adjustments to the carrying amount of related right of use assets after the date of initial recognition. Each lease payment is allocated between a reduction of the liability and a finance cost. The finance cost is charged to the statement of profit or loss as mark-up expense over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

3.4 Financial Instruments

3.4.1 Non-derivative financial assets

Initial recognition and measurement

Financial assets are initially recognised at the time when the Company becomes a party to the contractual provision of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification

On initial recognition a financial asset is classified as measured at:

- amortised cost;
- fair value through other comprehensive income (FVOCI) - Debt investment;
- fair value through other comprehensive income (FVOCI) - Equity investment, and
- fair value through profit and loss (FVTPL).

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

Amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

FVOCI - Debt investment

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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FVOCI - Equity investment

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI.

FVTPL

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI or at FVTPL.

Financial assets - Business model assessment:

A financial asset is classified as either held to collect, held to collect and sale and others based on business model assessment. The Company makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to the management. The assessment requires judgement based on facts and circumstances on the date of assessment. The assessment considers the policies and objectives for the portfolio of financial assets, risk affecting, performance evaluation, business manager's compensation and historical sales information.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cashflows nor held both to collect contractual cashflows and to sell financial assets.

Financial assets - Assessment whether contractual cash flows are solely payments of principal and interest

The Company assesses whether contractual cash flows meet the solely payments of principal and interest (SPPI) criterion by considering the instrument's terms. This includes evaluating factors that may alter cash flow timing or amount, such as contingent events, variable-rate features, prepayment or extension options and limitations on claims to cash flows (e.g., non-recourse features).

A prepayment feature meets the solely payments of principal and interest (SPPI) criterion if the prepayment amount primarily includes unpaid principal, interest and reasonable early termination compensation. For discounted or premium financial assets, prepayment at contractual par plus accrued interest (with possible early termination compensation) also meets the criterion if its fair value is insignificant at initial recognition.

Subsequent measurement and derecognition

Financial assets classified at amortised cost are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, if any. Interest income, foreign exchange gains and losses and impairment are recognised in statement of profit or loss. Any gain or loss on derecognition is recognised in statement of profit or loss.

Debt investments classified as FVOCI are subsequently measured at fair value. Interest income calculated using effective method, foreign exchange gain and losses and impairment are recognised in statement of profit or loss. Other net gains and losses are recognised in the statement of comprehensive income. On de-recognition, gains and losses accumulated in OCI are reclassified to statement of profit or loss.

Equity investments classified as FVOCI are subsequently measured at fair value. Dividends are recognised as income in statement of profit or loss, unless the dividend clearly represents a recovery of part of the cost of the investment, when the Company's right to receive payments is established. This category only includes equity instruments, which the Company intends to hold for the foreseeable future. On derecognition, there is no reclassification of fair value gains and losses to statement of profit or loss. Equity instruments at FVOCI are not subject to an impairment assessment under IFRS 9.

The financial assets classified at FVTPL are subsequently measured at fair value and net gains and losses, including any interest or dividend income, are recognised in statement of profit or loss. Net gains and losses (unrealised and realised), including any interest or dividend income, are recognised in statement of profit or loss.

Derecognition

A financial asset is derecognised when the contractual rights to receive cash flows from the asset expire, or when the Company transfers the financial asset and such transfer qualifies for derecognition in accordance with the applicable financial reporting framework.

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3.4.2 Non-derivative financial liabilities

Financial liabilities are initially recognised at the time when the Company becomes party to the contractual provisions of the instruments. All financial liabilities are recognised initially at fair value minus directly attributable transactions costs, if any, and are subsequently measured at amortised cost using effective interest rate.

At the year-end, all the financial liabilities are classified as at amortised cost.

3.4.3 Off-setting of financial assets and financial liabilities

Financial assets and financial liabilities are set off and the net amount is reported in the statement of financial position when there is a legally enforceable right to set off the recognised amount and the Company intends to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

3.5 Impairment

Financial assets

The Company recognises loss allowance for Expected Credit Losses (ECLs) in respect of financial assets measured at amortised cost (i.e. trade receivables, cash and cash equivalents and other receivables), debt instruments measured at FVOCI but not investments in equity instruments.

ECLs are a probability-weighted estimate of credit losses, based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

The Company applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables. Management uses actual historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment to determine lifetime expected loss allowance. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

For other debt financial assets, the ECL is based on the 12-month ECL. The 12-month ECL is the portion of lifetime ECLs that results from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. The Company considers that there has been a significant increase in credit risk when contractual payments are more than 90 days past due and a financial asset in default when contractual payment are 180 days past due or the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held).

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

The ECL has impact on the assets of the Company which are exposed to credit risk. No loss allowance for ECLs has been recorded on certain assets, which include investments, investment in government securities backed by the Government of Pakistan, other receivables and bank deposits and accrued profit thereon, as these assets carry minimal credit risk due to high credit quality counterparties and secured repayment mechanisms.

Write-off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. Financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

Non-financial assets

The carrying amounts of non-financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated to determine the extent of impairment loss, if any. An impairment loss is recognised, as an expense in the statement of profit or loss. The recoverable amount is the higher of an asset's fair value less cost to sell and value-in-use. Value-in-use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets.

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An impairment loss is reversed if there is a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.6 Trade and other payables

Trade and other payables are recognised initially at fair value plus directly attributable costs, if any, and subsequently measured at amortised cost.

3.7 Cash and cash equivalents

Cash and cash equivalents comprise of cash in hand, balances held with banks in current and saving accounts, and investments having original maturity of less than three months.

3.8 Provisions

Provisions are recognised when the Company has a legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

3.9 Revenue recognition

Income from exchange operations

- Difference between the cost and selling price of foreign currency which is recognised at the time of occurrence of transfer basis.
- Exchange differences on translation of monetary assets and liabilities in foreign currencies are recognised as gain / (loss) on revaluation at the end of each day.

Mark-up / interest income

- Income on investments is recognised using the effective interest yield method over the term of investment.
- Income on bank deposits is recognised at the interest rate implicit in the arrangement.
- Gains / (losses) arising on sale of investment are included in the statement of profit or loss account in the period in which they arise.

Commission income

Commission income is recognised when the performance obligation is satisfied to transfer foreign currency to the counterparty.

3.10 Foreign currency transactions and translation

Transactions in currencies other than Pakistani Rupees are recorded at the rates of exchange prevailing on the dates of the transactions. At each statement of financial position date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the financial position date. Gains and losses on translation are taken to the statement of profit or loss.

3.11 Taxation

Provision for taxation expense comprises of current and deferred tax. Current and deferred tax is recognised in the statement of profit or loss except to the extent that it relates to items recognised in equity and other comprehensive income. In making the estimates for income taxes currently payable by the Company, the management looks at the current income tax law and the decisions of appellate authorities on certain issues in the past.



The Institute of Chartered Accountants of Pakistan (ICAP), through Circular No. 07/2024 dated 15 May 2024, issued guidance on the accounting treatment of minimum taxes and final taxes in compliance with the requirements of IFRS Accounting Standards. According to this guidance, income taxes include those taxes which are based on taxable profits while levies are defined as those whose calculation uses data such as the gross amount of revenue, assets or liabilities that and so do not meet the definition of income taxes provided in IAS 12. Accordingly, final taxes and minimum taxes chargeable under various sections of Income Tax Ordinance 2001, are to be classified as a 'levy' rather than as income tax in the statement of profit or loss. Further, the circular also provides two approaches for the bifurcation of minimum taxes, offering the Company the option to select and consistently apply one approach. Each approach has distinct implications for current and deferred tax.

The Company has opted to designate the amount calculated on taxable income using the notified tax rates as income tax within the scope of IAS 12 'Income Taxes' and to recognise this amount as a current income tax expense. Any excess amount beyond the designated income tax will be recognised as a levy, in accordance with IFRIC 21/IAS 37. As a result, calculation of deferred tax would be recorded at the enacted income tax rate as the effective rate of income tax is equal to the enacted rate of income tax.

In accordance with the Income Tax Ordinance 2001, the Company is subject to minimum tax under section 113, 113C and 153 respectively.

Current

Provision for current taxation is the expected tax payable on taxable income for the period and is based on the tax payable under normal tax regime at current rate of taxation after considering the effects of minimum taxes, final taxes, available tax credits and rebates.

Deferred

Deferred tax is recognised, using the balance sheet liability method, in respect of temporary differences between the carrying amounts of assets and liabilities in the financial statements and their tax base. The amount of deferred tax recognised is based on expected manner of realisation or settlement of the carrying amount of assets and liabilities using the tax rates enacted or substantively enacted at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax assets and unused tax losses, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

3.12 Employees Retirement Benefits

Provident Fund - defined contribution plan

The Company pays contribution to the fund on a periodic basis after completion of probation period and such amounts will be charged to the statement of profit or loss. The Company has no further payment obligations once contributions are made by the Company on a periodic basis. According to the plan, the Company and its employees contribute an amount equal to 10% of the basic salary towards the provident fund. Contribution has been made by the Company during the year.

Gratuity scheme - defined benefit plan

The Company pays contribution to the fund on a periodic basis and such amounts will be charged to the statement of profit or loss. The Company has no further payment obligations once contributions are made by the Company on a periodic basis. According to the plan, the employee after completion of minimum services of 5 years are eligible for the benefit of the scheme the amount of the gratuity is payable at last drawn basic pay i.e. one month basic pay for each completed year of service. No contribution has been made by the Company during the year.

3.13 Transactions with related parties

Transactions in relation to sales, purchases and services with related parties are made at fair market value.

3.14 Earnings per share

The Company presents basic and diluted earnings per share (EPS). Basic EPS is calculated by dividing profit after tax for the year attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share is not calculated separately, as the Company does not have any convertible instruments in issue.

4	PROPERTY AND EQUIPMENT	Note	2025	2024
			(Rupees)	
	Property and equipment	4.1	<u>120,425,913</u>	<u>56,897,879</u>

4.1 Property and equipment

	2025				
	Leasehold improvements	Office equipment	Computers	Furniture and fixtures	Total
	(Rupees)				
<i>Cost</i>					
At 1 January	16,633,742	21,223,678	16,133,019	12,497,528	66,487,967
Additions	33,133,631	27,241,713	11,451,828	17,494,807	89,321,979
At 31 December 2025	49,767,373	48,465,391	27,584,847	29,992,335	155,809,946
<i>Accumulated depreciation</i>					
At 1 January	2,829,869	3,037,310	2,239,937	1,482,972	9,590,088
Charge for the year	7,133,351	9,355,989	5,851,498	3,453,107	25,793,945
At 31 December 2025	9,963,220	12,393,299	8,091,435	4,936,079	35,384,033
Net Book value	39,804,153	36,072,092	19,493,412	25,056,256	120,425,913
Rate of depreciation (%)	<u>20</u>	<u>25</u>	<u>25</u>	<u>15</u>	

	2024				
	Leasehold improvements	Office equipment	Computers	Furniture and fixtures	Total
	(Rupees)				
<i>Cost</i>					
Additions	16,633,742	21,223,678	16,133,019	12,497,528	66,487,967
At 31 December	16,633,742	21,223,678	16,133,019	12,497,528	66,487,967
<i>Accumulated depreciation</i>					
Charge for the period	2,829,869	3,037,310	2,239,937	1,482,972	9,590,088
At 31 December	2,829,869	3,037,310	2,239,937	1,482,972	9,590,088
Net Book value	13,803,873	18,186,369	13,893,082	11,014,556	56,897,879
Rate of depreciation (%)	<u>20</u>	<u>25</u>	<u>25</u>	<u>15</u>	

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5	RIGHT OF USE ASSET	Note	2025		2024	
			(Rupees)		(Rupees)	
	Right of use asset	5.1	<u>23,207,487</u>	<u>26,108,423</u>		
5.1	Right of use asset					

	2025							
	Cost			Accumulated depreciation			Net book value as at 31 December	Depreciation rate (% per annum)
	Opening Balance	Addition	Closing Balance	Opening Balance	Charge for the year	Closing Balance		
	(Rupees)							
Office building	<u>29,009,359</u>	<u>-</u>	<u>29,009,359</u>	<u>2,900,936</u>	<u>2,900,936</u>	<u>5,801,872</u>	<u>23,207,487</u>	10

	2024							
	Cost			Accumulated depreciation			Net book value as at 31 December	Depreciation rate (% per annum)
	Opening Balance	Addition	Closing Balance	Opening Balance	Charge for the period	Closing Balance		
	(Rupees)							
Office building	<u>-</u>	<u>29,009,359</u>	<u>29,009,359</u>	<u>-</u>	<u>2,900,936</u>	<u>2,900,936</u>	<u>26,108,423</u>	10

6	INTANGIBLE ASSET	Note	2025		2024	
			(Rupees)		(Rupees)	
	Intangible asset	6.1	<u>2,434,564</u>	<u>4,151,057</u>		
6.1	Intangible asset					

	2025							
	Cost			Accumulated amortisation			Net book value as at 31 December	Amortization rate (% per annum)
	Opening Balance	Addition	Closing Balance	Opening Balance	Charge for the year	Closing Balance		
	(Rupees)							
Software	<u>5,150,000</u>	<u>-</u>	<u>5,150,000</u>	<u>998,943</u>	<u>1,716,493</u>	<u>2,716,436</u>	<u>2,434,564</u>	33.33

	2024							
	Cost			Accumulated amortisation			Net book value as at 31 December	Amortization rate (% per annum)
	Opening Balance	Addition	Closing Balance	Opening Balance	Charge for the period	Closing Balance		
	(Rupees)							
Software	<u>-</u>	<u>5,150,000</u>	<u>5,150,000</u>	<u>-</u>	<u>998,943</u>	<u>998,943</u>	<u>4,151,057</u>	33.33

7	LONG TERM INVESTMENTS	Note	2025		2024	
			(Rupees)		(Rupees)	
	At amortised cost					
	Pakistan Investment Bonds (PIBs) - fixed rate	7.2	<u>151,532,943</u>	<u>247,115,848</u>		
	Pakistan Investment Bonds (PIBs) - floating rate	7.3	<u>107,336,571</u>	<u>108,675,581</u>		
			<u>258,869,514</u>	<u>355,791,429</u>		

7.1 These includes PIBs having book value of Rs. 159.3 million deposited with the State Bank of Pakistan (SBP) to meet the Statutory Liquidity Reserve (SLR) requirement of 15% of paid-up capital in accordance with EPD Circular Letter no. 5-of 2021, issued by the SBP.

7.2 This includes 3-year PIBs purchased on 17 May 2024 with a face value of Rs. 55 million. These carried coupon rate of 14% per annum receivable on semi-annual basis and will mature on 15 February 2027, having market value of Rs. 57.0 million. In addition, 3 Year PIBs purchased on 3 December 2024 with a face value of Rs. 94.5 million. These carried coupon rate of 14% per annum receivable on a semi-annual basis and will mature on 20 September 2027, having market value of Rs. 99.5 million.

7.3 This represents 5 year PIBs purchased on 17 May 2024 with a face value of Rs. 110 million. These carried coupon rate of 10.67% per annum receivable on semi-annual basis and will mature on 16 April 2029, having market value of Rs. 111 million.

Handwritten mark

	2025	2024
	----- (Rupees) -----	
13 TAXATION - NET		
Tax paid / deducted during the period	35,460,895	22,072,538
Provision for taxation	(15,696,364)	(15,038,029)
	<u>19,764,531</u>	<u>7,034,509</u>

14 ISSUED, SUBSCRIBED and PAID-UP SHARE CAPITAL

14.1 Issued, subscribed and paid-up share capital

	2025	2024
	---- (Number of shares) ----	
100,000,000	100,000,000	Fully paid in cash
	<u>1,000,000,000</u>	<u>1,000,000,000</u>

At 31 December 2025, 99,999,997 (2024: 99,999,997) ordinary shares were held by the Holding Company and 3 shares were held by the directors of the Company.

15 LEASE LIABILITY AGAINST RIGHT OF USE ASSET

The Company has liability against right of use asset in respect of its office building. The following amounts have been recognised in the financial statements in respect of this lease:

	Note	2025	2024
		----- (Rupees) -----	
15.1 Amounts recognised in the statement of financial position			
Opening Balance		28,912,647	-
Addition		-	29,009,359
Finance cost	15.2	6,429,988	6,454,388
Rental paid		(6,551,100)	(6,551,100)
Closing balance		<u>28,791,535</u>	<u>28,912,647</u>
Lease liability			
Current		151,668	121,112
Non-current		28,639,867	28,791,535
		<u>28,791,535</u>	<u>28,912,647</u>

The maturity analysis of lease liability against right of use asset is as follows:

	Rentals	Finance cost	Present value
	----- (Rupees) -----		
Not later than one year	6,551,100	6,399,432	151,668
Later than one year but not later than five years	31,265,125	22,452,986	8,812,139
Later than five years	27,291,064	7,463,336	19,827,728
	<u>65,107,289</u>	<u>36,315,754</u>	<u>28,791,535</u>

The liability against right of use asset was initially measured at the present value of remaining lease payments, discounted using the Company's incremental borrowing rate at 22.71% (2024: 22.71%) per annum. The liability against right of use asset is subsequently being measured at amortised cost using the effective interest rate method.

	2025	For the period from 22 November 2023 to 31 December 2024
	----- (Rupees) -----	
15.2 Amounts recognised in the Statement of Profit or Loss		
Depreciation expense of right-of-use asset	<u>2,900,936</u>	<u>2,900,936</u>
Finance cost	<u>6,429,988</u>	<u>6,454,388</u>

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16 CREDITORS, ACCRUED AND OTHER LIABILITIES	Note	2025	2024
		----- (Rupees) -----	
Creditors		4,125,100	1,396,000
Accrued liabilities	16.1	8,368,608	4,793,000
Other payables		274,089	711,199
		<u>12,767,797</u>	<u>6,900,199</u>

16.1 Accrued liabilities consists of:

Administrative expenses		1,162,430	2,768,000
Auditors' remuneration		7,206,178	2,025,000
		<u>8,368,608</u>	<u>4,793,000</u>

17 CONTINGENCIES AND COMMITMENTS

There were no contingencies or commitments as at 31 December 2025.

18 INCOME FROM EXCHANGE OPERATION	Note	2025	2024
		----- (Rupees) -----	
Exchange income	18.1	<u>52,666,783</u>	<u>9,022,240</u>

18.1 Income from exchange operation includes income from sale and purchase of foreign currencies and revaluation gain or loss on foreign currencies.

19 ADMINISTRATIVE EXPENSES	Note	2025	For the period from 22 November 2023 to 31 December 2024
		----- (Rupees) -----	
Salaries and benefits		110,568,805	43,949,098
Depreciation on property and equipment	4.1	25,793,945	9,590,088
Branch rent & taxes		15,481,977	1,575,000
Seconded staff expense		12,300,207	18,306,632
Communications		11,063,225	2,708,865
Information technology expenses		7,426,082	5,056,774
Insurance charges		7,206,178	1,618,128
Cash in transit charges		4,715,131	1,484,336
Vehicle expenses		4,354,793	2,516,928
Utilities		3,753,336	3,809,671
Legal and professional charges		3,386,907	25,002,360
Outsourced service cost		3,324,038	2,363,109
Maintenance		3,094,877	1,490,489
Auditors' remuneration	19.1	3,037,500	3,037,500
Depreciation on right of use asset	5.1	2,900,936	2,900,936
Printing and stationery		2,488,609	2,064,068
Traveling expense		2,150,540	1,148,265
Entertainment		1,931,558	1,028,596
Amortisation of intangible asset	6.1	1,716,493	998,943
Penalty	19.2	1,155,000	-
Others		1,089,706	348,961
Marketing expenses		817,698	1,438,477
Conveyance		425,298	139,620
Repairs and renovation		-	986,938
Security charges		-	194,545
Staff training		-	57,877
		<u>230,182,839</u>	<u>133,816,204</u>

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	Note	2025	For the period from 22 November 2023 to 31 December 2024
19.1 Auditors' remuneration			(Rupees)
Annual audit fee		2,600,000	2,250,000
Out of pocket expenses		312,500	562,500
Sales tax		225,000	225,000
		<u>3,037,500</u>	<u>3,037,500</u>
19.2 Penalty			
Penalty imposed by State Bank of Pakistan and Sindh Board of Revenue.		<u>1,155,000</u>	-
20 FINANCE COST			
Finance cost on liability against right of use asset	15.2	5,429,988	6,454,388
Bank charges		15,027	11,938
		<u>5,445,015</u>	<u>6,466,326</u>
21 OTHER INCOME			
Mark-up income on deposit account	11.7	11,412,269	136,125,888
Mark-up income on PIBs		43,387,010	19,949,763
Mark-up income on Market TBills		8,590,675	831,195
Amortisation (expense) / income on PIBs		(1,148,035)	565,130
Gain on sale of securities		290,628	-
		<u>62,632,447</u>	<u>157,471,977</u>
22 TAXATION			
Minimum tax differential	22.1	658,334	-
Current tax		-	15,038,029
Deferred tax expense / (income)		<u>(35,872,636)</u>	<u>(7,438,640)</u>
		<u>(35,214,301)</u>	<u>7,601,389</u>
22.1 As the Company incurred a loss during the year, minimum tax under Section 113 of the Income Tax Ordinance, 2001 has been recognised as the final tax liability.			

	2025	For the period from 22 November 2023 to 31 December 2024
22.2 Reconciliation of the tax expense and accounting profit		(Rupees)
(Loss) / profit before taxation	(121,428,624)	26,211,687
Taxation	35,214,301	(7,601,389)
(Loss) / profit before taxation	<u>(86,214,323)</u>	<u>18,610,298</u>
Income tax using applicable tax rate of 29%	(35,872,636)	7,601,389
Effect of tax on income charged at different rate	658,334	-
	<u>(35,214,301)</u>	<u>7,601,389</u>

23 EARNINGS PER SHARE - basic and diluted			
23.1 Basic			
(Loss) / profit after taxation attributable to ordinary shareholders.		<u>(86,214,323)</u>	<u>18,610,298</u>
		(Number of shares)	
Weighted average number of ordinary shares outstanding during the year:		<u>100,000,000</u>	<u>100,000,000</u>
		(Rupees)	
Earnings per share		<u>(0.86)</u>	<u>0.19</u>

23.2 A diluted earnings per share has not been presented as the Company do not have any convertible instruments in issue as at reporting date which would have any effect on the earnings per share if the option to convert is exercised.

24 COMPENSATION OF DIRECTORS AND KEY MANAGEMENT PERSONNEL

The aggregate amounts charged in these financial statements in respect of remuneration, including all benefits, to the executives were as follows:

Note	2025		2024	
	Chief Executive	Executives	Chief Executive	Executives
	(Rupees)			
Basic	8,100,000	9,432,110	7,200,000	5,308,871
Other allowances	10,675,000	10,127,110	7,200,000	8,308,871
Seconded staff salaries and benefits	24.1	12,300,207	-	14,965,736
	<u>18,675,000</u>	<u>31,659,427</u>	<u>14,400,000</u>	<u>28,583,478</u>
Number of persons	<u>1</u>	<u>5</u>	<u>1</u>	<u>5</u>

24.1 Seconded represent the 2 executives deputed by the Holding Company for the period of 3 years, starting from 1 January 2024 till 31 December 2026.

24.2 No meeting fees were paid to the directors for attending the Board meetings during the year 2025 (2024: Nil).

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25 NUMBER OF EMPLOYEES

The total and average number of employees during the year are as follows:

	2025 (Number of employees)	2024
Number of employees as at the end of the year / period.	<u>115</u>	<u>53</u>
Average number of employees during the year / period.	<u>84</u>	<u>31</u>

26 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The Company has related party relationships with Habib Metropolitan Bank Limited (Holding Company), related group companies, its directors, the key management personnel of the Company and of the Holding Company.

Key management personnel are those persons who have the authority and responsibility for planning, directing and controlling the activities of the company (directly or indirectly). The Company considers its Directors, Chief Executive Officer and departmental heads to be its key management personnel. Transactions with key management personnel are in accordance with their terms of employment / entitlement. Other transactions with related parties are at fair market value.

26.1 Details of balances and transactions with related parties other than those disclosed in the respective notes are as follows:

Balances at the year / period-end	2025	2024
	----- (Rupees) -----	
Bank balances held with the Holding Company	170,991,853	391,129,004
Transactions during the year / period	2025	For the period from 22 November 2023 to 31 December 2024
	----- (Rupees) -----	
Habib Metropolitan Bank Limited - Holding Company		
Administrative expenses paid by the Holding Company on behalf of the Company (subsequently reimbursed to the Holding Company)	15,481,977	99,991,335
Mark-up income on bank deposits	11,412,269	136,125,889
Rentals paid/payable	6,551,100	6,551,100
Bank charges	15,027	11,938
Associated Entities		
First Habib Modaraba	-	-
Habib Metropolitan Financial Services Limited	-	-
Habib Metropolitan Modaraba Management Company (Private) Limited	-	-
Key Management Personnel and their close family members		
Directors and Executives of the Company:		
- Sale of foreign currencies	13,724,554	12,339,805
- Purchase of foreign currencies	2,226,597	12,705,416
Key Management Personnel of the Parent Company:		
- Sale of foreign currencies	4,779,139	180,825
- Purchase of foreign currencies	-	52,710

Details of the remuneration of key management personnel are given in note 24.

26.2 The list of related parties with whom the Company had entered into transactions during the year are given in "Annexure II", which is an integral part of these financial statements.

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27 CAPITAL RISK MANAGEMENT

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain a strong capital base to support the sustained development of its business and to comply with the regulatory requirement.

The Company manages its capital structure by monitoring return on net assets and assessing its requirement for various transactions to be undertaken. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders or issue new shares.

The Company currently meets the paid-up capital requirement of Rs. 600 million prescribed in Exchange Companies Manual issued by the SBP. The paid-up capital is Rs. 1,000 million which is in excess of minimum capital requirement by Rs. 500 million.

The Company monitors capital using a debt equity ratio, which is net debt divided by total capital plus net debt. The gearing ratio as at 31 December 2025 is as follows:

	Note	2025	2024
		------(Rupees)-----	
Total Liabilities		41,559,332	35,812,846
Less: Cash and bank balances	12	(489,358,690)	(476,178,649)
Excess cash and bank balances		(447,799,358)	(440,365,803)
Less: Total Shareholders' equity		932,395,976	1,018,610,298
Adjusted equity		484,596,618	578,244,495
Gearing ratio		-	-

28 FINANCIAL RISK MANAGEMENT

The senior management of the Company has overall responsibility for the establishment and oversight of the Company's risk management framework (with the approval from the Board of Directors of the Company). The senior management is also responsible for developing and monitoring the Company's risk management policies (with the approval from Board of Directors of the Company).

The Company is exposed to the following risks in respect of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

28.1 Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss for the Company by failing to discharge an obligation. The risk is generally limited to principal amounts and accrued mark-up thereon, if any. The Company's policy is to enter into financial contracts in accordance with the risk management framework. The carrying amount of the financial assets mentioned below represents the maximum credit exposure at the reporting date.

Exposure to credit risk

Credit risk of the Company arises principally from bank balances and other receivables. The maximum exposure to credit risk at the reporting date are as follows:

	Note	2025	2024
		------(Rupees)-----	
<i>Unsecured:</i>			
Accrued mark-up on deposits	11	10,529,375	4,542,573
Balances with Bank	12	169,991,853	391,129,004
		180,521,228	395,671,577

Concentration of credit risk

Concentration of credit risk arises when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. In order to avoid excessive concentrations of risk, management focuses on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly. Management does not consider that it has any significant concentration of credit risk at the reporting date. Following are the details:

Details of the concentration of credit risk are as follows:	Note	2025	2024
		------(Rupees)-----	
Accrued mark-up on deposits:	11	10,529,375	4,542,573
Balances with Bank	12	169,991,853	391,129,004
		<u>180,521,228</u>	<u>395,671,577</u>

Credit ratings

Balances with banks represents balance held with the Holding Company having sound credit ratings. The credit quality of Company's bank balances can be assessed with reference of external credit ratings as follows:

Banks	Rating agency	Short term rating	(Rupees)	Percent
Habib Metropolitan Bank Limited (directly and through its nominees)	PACRA	A1+	<u>169,991,853</u>	100%

28.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The following are the contractual maturities of financial liabilities:

	2025				
	Carrying amount	Contractual cash flows	Maturity up to one year	Maturity more than one year and less than five years	Maturity over five years
	------(Rupees)-----				
Creditors, accrued and other liabilities	12,767,797	12,767,797	12,767,797	-	-
Lease liability against right of use asset	28,791,535	65,107,289	6,551,100	31,265,125	27,291,064
	<u>41,559,332</u>	<u>77,875,086</u>	<u>19,318,897</u>	<u>31,265,125</u>	<u>27,291,064</u>
	2024				
	Carrying amount	Contractual cash flows	Maturity up to one year	Maturity more than one year and less than five years	Maturity over five years
	------(Rupees)-----				
Creditors, accrued and other liabilities	6,900,199	6,900,199	6,900,199	-	-
Lease liability against right of use asset	28,912,647	71,658,388	6,551,100	29,152,395	35,954,893
	<u>35,812,846</u>	<u>78,558,587</u>	<u>13,451,299</u>	<u>29,152,395</u>	<u>35,954,893</u>

28.3 Market risk

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates or the market price of securities due to a change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market.

Market risk comprises of three types of risk: currency risk, interest rate risk and other price risk. The Company is exposed to currency risk and interest rate risk only.

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28.3.1 Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in the market yield. At the reporting date, the interest rate profile of the Company's significant interest bearing financial instruments were as follows (based on the earlier of repricing and maturity):

	2025				Total	
	Effective interest rate / return %	Interest / mark-up bearing				Non interest / mark-up bearing
		Up to three months	More than three months and upto one year	More than one year		
(Rupees)						
On balance sheet financial instruments						
Financial assets						
Long Term Investment	10.87% to 14.15%	-	-	258,869,514	258,869,514	
Short Term Investment	-	-	-	-	-	
Mark-up accrued on Deposits	-	-	-	1,428,460	1,428,460	
Mark-up accrued on Investments	-	-	-	9,103,918	9,103,918	
Cash and bank balances (LCY)	8% to 9.8%	79,765,062	-	-	40,725,184	
Cash and bank balances (FCY)	-	-	-	-	377,859,844	
		<u>79,765,062</u>	<u>-</u>	<u>258,869,514</u>	<u>429,123,003</u>	
					<u>758,757,579</u>	
Financial liabilities						
Creditors, accrued and other liabilities	-	-	-	-	12,767,797	
Lease liability against right of use asset - current portion	-	34,781	116,398	28,639,667	-	
		<u>34,781</u>	<u>116,398</u>	<u>28,639,667</u>	<u>28,791,636</u>	
On balance sheet gap		<u>79,730,281</u>	<u>(116,898)</u>	<u>230,229,847</u>	<u>416,355,026</u>	
					<u>717,159,245</u>	

	2024				Total	
	Effective interest rate / return %	Interest / mark-up bearing				Non interest / mark-up bearing
		Up to three months	More than three months and upto one year	More than one year		
(Rupees)						
On balance sheet financial instruments						
Financial assets						
Long Term Investment	14% to 14.13%	-	-	353,791,429	353,791,429	
Short Term Investment	11.50%	-	100,027,142	-	100,027,142	
Mark-up accrued on Deposits	-	-	-	4,542,873	4,542,873	
Mark-up accrued on Investments	-	-	-	9,016,967	9,016,967	
Cash and bank balances (LCY)	13.5% to 20.5%	380,668,164	-	-	19,776,335	
Cash and bank balances (FCY)	-	-	-	-	75,734,180	
		<u>380,668,164</u>	<u>100,027,142</u>	<u>353,791,429</u>	<u>109,070,025</u>	
					<u>643,556,760</u>	
Financial liabilities						
Creditors, accrued and other liabilities	-	-	-	-	8,900,199	
Lease liability against right of use asset - current portion	-	27,773	83,239	28,791,520	-	
		<u>27,773</u>	<u>83,239</u>	<u>28,791,520</u>	<u>28,912,647</u>	
On balance sheet gap		<u>380,640,391</u>	<u>29,893,873</u>	<u>324,999,894</u>	<u>102,159,628</u>	
					<u>903,743,914</u>	

28.3.1.1 As at 31 December 2025, the Company holds balances in bank accounts and PIBs that could expose the Company to cashflow interest rate risk which are classified as amortised cost. In case of 100 basis points increase / decrease in interest rates on 31 December 2025, with all other variables held constant, the impact on the net assets and total comprehensive income for the year is as follows:

Exposure	2025	2024
	(Rupees)	
PIBs - Face Value	269,696,000	110,000,000
Bank balances	79,765,062	300,668,164
	<u>339,461,062</u>	<u>410,668,164</u>

Sensitivity analysis

Every 1% increase or decrease in interest rates, with all other variables held constant, will increase or decrease profit before tax for the year by Rs. 3,302,601.

28.3.2 Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. In order to avoid losses arising from adverse movements in the exchange rates, the management monitors compliance with all external and internal limits (including currency, dealer and counterparty limits), review of foreign exchange exposure and regular revaluation of the entire portfolio.

The Company's exposure to foreign exchange risk are as follows:

	2025						Total
	USD	GBP	EUR	SAR	AED	Others	
	(Equivalent Rupees)						
On balance sheet financial instruments							
Financial assets							
Cash balances	22,968,663	17,181,938	23,400,147	142,195,458	32,976,961	38,877,152	276,591,369
Bank balances	31,797,098	27,742,922	29,359,352	-	-	-	89,489,371
	<u>54,765,761</u>	<u>44,924,860</u>	<u>52,759,499</u>	<u>142,195,458</u>	<u>32,976,961</u>	<u>38,877,152</u>	<u>378,881,739</u>
Financial liabilities							
Net currency exposure	<u>54,765,761</u>	<u>44,924,860</u>	<u>52,759,499</u>	<u>142,195,458</u>	<u>32,976,961</u>	<u>38,877,152</u>	<u>378,881,739</u>
Off balance sheet financial instruments							
Commitments							
Currency exchange rates at the year-end	289.88	378.50	331.34	75.065	76.888	Various	-
2024							
	USD	GBP	EUR	SAR	AED	Others	Total
On balance sheet financial instruments							
Financial assets							
Cash balances	14,781,091	4,919,212	7,514,006	22,428,668	3,484,699	16,235,642	69,383,982
Bank balances	1,895,364	877,137	3,399,007	-	-	-	6,270,568
	<u>16,677,455</u>	<u>5,796,349</u>	<u>11,113,333</u>	<u>22,428,668</u>	<u>3,484,699</u>	<u>16,235,642</u>	<u>75,734,180</u>
Financial liabilities							
Net currency exposure	<u>16,677,455</u>	<u>5,796,349</u>	<u>11,113,333</u>	<u>22,428,668</u>	<u>3,484,699</u>	<u>16,235,642</u>	<u>75,734,180</u>
Off balance sheet financial instruments							
Commitments							
Currency exchange rates at the period-end	278.67	349.50	289.75	74.113000	75.845000	Various	-

Sensitivity analysis

Every 1% increase or decrease in exchange rates, with all other variables held constant, will increase or decrease profit before tax for the year by Rs. 3,760,817.

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28.3.3 Operational Risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the processes, technology and infrastructure supporting the Company's operations either internally within the Company or externally at the Company's service providers, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of investment management behavior. Operational risks arise from all of the Company's activities.

The Company's objective is to manage operational risk so as to balance limiting of financial losses and damage to its reputation with achieving its investment objective of generating returns for investors.

The primary responsibility for the development and implementation of controls over operational risk rests with the Board of Directors. This responsibility encompasses the controls in the following areas:

- requirements for the appropriate segregation of duties between various functions, roles and responsibilities;
- requirement for the reconciliation and monitoring of transactions;
- compliance with regulatory and other requirements;
- documentation of controls and procedures;
- requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified;
- ethical and business standards; and
- risk mitigation, including insurance where this is effective.

Senior Management ensures that the Company's staff have adequate training and experience and fosters effective communication related to operational risk management.

29 FAIR VALUES 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 market participants at the measurement date.

The Company classifies fair value measurements of its investments using a hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

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

29.1 The following table analyses financial assets and liabilities at the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorised:

	2025							
	Carrying Amount			Fair value				
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised cost	Total	Level 1	Level 2	Level 3	Total
(Rupees)								
Financial assets measured at fair value								
Cash and bank balances - foreign currencies	377,868,444	-	-	377,868,444	377,868,444	-	-	377,868,444
Financial assets not measured at fair value								
Pakistan Investment Bonds	-	-	258,869,514	258,869,514				
Market Treasury Bills	-	-	-	-				
Cash and bank balances - local currency	-	-	111,490,246	111,490,246				
Accrued profit	-	-	10,529,375	10,529,375				
	-	-	380,889,135	380,889,135				
Financial liabilities not measured at fair value								
Creditors, accrued and other liabilities	-	-	12,767,797	12,767,797				

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	2024							
	Carrying Amount			Total	Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised cost		Level 1	Level 2	Level 3	Total
(Rupees)								
Financial assets measured at fair value								
Cash and bank balances - foreign currencies	75,734,150	-	-	75,734,150	75,734,150	-	-	75,734,150
Financial assets not measured at fair value								
Pakistan Investment Bonds	-	-	353,791,429	353,791,429				
Market Treasury Bills	-	-	100,027,142	100,027,142				
Cash and bank balances - local currency	-	-	400,444,499	400,444,499				
Accrued profit	-	-	10,529,375	10,529,375				
	-	-	864,792,445	864,792,445				
Financial liabilities not measured at fair value								
Creditors, accrued and other liabilities	-	-	6,900,199	6,900,199				

30 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of comparison and better presentation. No significant rearrangements or reclassifications have been made in these financial statements during the current year.

31 GENERAL

Figures in these financial statements have been rounded off to the nearest rupee.

32 DATE OF AUTHORISATION

These financial statements were authorised for issue by the Board of Directors of the Company in their meeting held on

27 MAR 2026

Signature



Chief Executive Officer



Chairman

S. No.	HMS Outlet	Outlet Type	Opening Date	City	Province	Address	Phone No.
1	Main Branch	Branch	4-Jun-24	Karachi	Sindh	Ground Floor, Al Manzoor Building, E.I. Chondhigar Road, Karachi	021-37134526
2	Minerweather Booth	Booth	25-Jun-24	Karachi	Sindh	HMS - Minerweather Branch, 88-5/13, Ground Floor, Aqsa Trade Tower, Kharadar, Karachi	021-37134524
3	North Karachi Industrial Area Booth	Booth	25-Jun-24	Karachi	Sindh	HMS North Karachi Industrial Area Branch, S.F.S, Gabol Town, Federal B Area, Karachi	021-37134527
4	Industrial Area Korangi Booth	Booth	13-Jun-24	Karachi	Sindh	HMS Industrial Area Korangi Branch, Plot No. SC-8, (S7-17), Sector 15, Korangi Industrial Area, Karachi	021-37134525
5	SITE Booth	Booth	25-Jun-24	Karachi	Sindh	HMS 68 SITE Branch, Plot No. B-12 / P-1 (State Avenue, SITE, Karachi)	021-37134527
6	Boat Basin Booth	Booth	25-Jun-24	Karachi	Sindh	HMS Boat Basin Branch, GPC-2, Block 5, KDA Scheme No. 5, Clifton, Karachi	021-37134529
7	Shahrah-e-Faisal Booth	Booth	25-Jun-24	Karachi	Sindh	HMS Shahrah-e-Faisal Building Branch, Baloch Colony Tower Shahrah-e-Faisal, Karachi	021-37134528
8	Circular Road Booth	Booth	2-Jul-24	Lahore	Punjab	HMS 88-Circular Road Branch, Shekat Al Manzil, 35-Min Circular Road, Lahore	042-32809490
9	Davis Road Booth	Booth	2-Jul-24	Lahore	Punjab	HMS Davis Road Branch, 14-B, Davis Road, Lahore	042-32809492
10	Shamsabad Booth	Booth	3-Jul-24	Rawalpindi	Punjab	HMS 88 Shamsabad Branch, Shop 7 & 8, Khewat # 133, Khatoon # 106, Khata # 752, National Business Center, Shamsabad, Rawalpindi	051-8302111
11	Jhelum Booth	Booth	19-Nov-24	Jhelum	Punjab	HMS Jhelum Branch - Plot No 6, Survey No 254/5, Situated between East-Karnal and Sarwar Road, Jhelum Cantt.	0544-796727
12	G.T Road, Gujranwala Booth	Booth	22-Nov-24	Gujranwala	Punjab	HMS 88 - G.T Road, Gujranwala Branch, Near Bajwa Road, Gujranwala	055-2040050
13	Islamabad Booth	Booth	15-Dec-24	Islamabad	Federal	HMS 88 - Islamabad Branch - Plot No 64, (East) Moscow Plaza F-7/2-3 Blue Area Islamabad	051-8302112
14	Gulistan-e-Jahar Booth	Booth	9-Dec-24	Karachi	Sindh	HMS Gulistan-e-Jahar Branch, Shop no B-5/1, Plot 15-22, Block 15, KDA Scheme - 36, Gulistan-e-Jahar, Karachi	021-37134532
15	DHA Hydrabad Booth	Booth	18-Dec-24	Hydrabad	Sindh	Shop no 4, 5 & 6, Ground Floor, Block - 8, Defence Plaza, Hydrabad Cantt, Hydrabad	022-4230041
16	Mandera Booth	Booth	24-Dec-24	Mandera	KP	Khewat 5195/5297 Carl Abdo Mian Shaiba e Reham Mandera	0997-381300
17	Multan Booth	Booth	9-Dec-24	Multan	Punjab	88 Main Branch Multan, 8913 Kholer Road, Near Sindbad Hotel, Multan	061-2040240
18	Karimabad Booth	Booth	28-Jan-25	Karachi	Sindh	HMS Karimabad Branch, Sohni Bida Shopping Center, 85-6, Block 4, F.B Area, Karachi	021-37134533
19	Clifton Booth	Booth	25-Jan-25	Karachi	Sindh	S-2 Ulma Arcade, Block 7, Khayaban-e-Iqbal, KDA Scheme No. 3, Clifton, Karachi	021-37134530
20	Ara Jatta Dedyal Booth	Booth	18-Feb-25	Acad Kashmir	AK	Plot No.38, Ara Jattan, Dedyal Road Dedyal - Acad Kashmir	9543-7468806
21	Gujranwala Booth	Booth	18-Feb-25	Gujranwala	Punjab	G.T Road Gujranwala, Opposite Lam Adda, Gujranwala	055-2640250
22	Sialkot Booth	Booth	25-Feb-25	Gujrat	Punjab	Opp. Old GTS Bus Stand, Railway Road Chowk, G.T Road, Gujrat	053-2212135
23	Sialkot Cantt Booth	Booth	18-Mar-25	Sialkot	Punjab	Plot No. 463 / A-2, Agla Kamal Hydr Road, Sialkot Cantt.	052-8250240
24	Lala Musa Booth	Booth	19-Mar-25	Lalamusa	Punjab	B/1295/A, Main G.T Road, Near Sikhi Mahal Hotel, Lalamusa.	0527-512075
25	Sialkot Booth	Booth	11-Apr-25	Sialkot	Punjab	Allama Iqbal Chowk, Railway Road, G.P.O Box 2626, Sialkot	052-8250242
26	Okara Booth	Booth	11-Apr-25	Okara	Punjab	Infra Complex near Scholte School, Chak No. 5A/ 6, M.A Buzah Road, Okara	0435-100258
27	Faisalabad Booth	Booth	7-May-25	Faisalabad	Punjab	P-103, Main (Jagat Road, Opp. F50 Fuel Pump, Faisalabad	041-6270430
28	Dinga Booth	Booth	11-Jun-25	Dinga	Punjab	Kothan Plaza No.2, Road Kharian Road, Dhulan Chowk, Dinga, Tehsil Kharian, Distt. Gujrat.	0527-402596
29	Bahawalpur Booth	Booth	12-Jun-25	Bahawalpur	Punjab	B-6-188, Plot # 128, Block B, Model Town, Ghalla Mand Road, Bahawalpur	062-325-0085
30	Kharian city Booth	Booth	24-Jun-25	Kharian	Punjab	Main G.T. Road, Kharian, District Gujrat.	053-7602638
31	Wazirabad Booth	Booth	26-Jun-25	Wazirabad	Punjab	Khewat# 249, Khatoon# 215, Khata# 740, Revenue Estate, Sialkot Road Wazirabad.	055-6803005
32	Chenab Nagar Booth	Booth	30-Jun-25	Chenab Nagar	Punjab	Plot No.15, Block No.14, Gol Bazar, Chenab Nagar	047-6215050
33	Sargodha Booth	Booth	2-Jul-25	Sargodha	Punjab	Plot No. 65/3, Railway Road, Sargodha	048-230-0128
34	Khanke Booth	Booth	9-Jul-25	Rawalpindi	Punjab	Ground Floor, Building No.1, Sector No.3, AI/Noor Colony, Service Road, Khanke, Rawalpindi.	051-886-2125
35	Rahim Yar Khan Booth	Booth	15-Jul-25	Rahim Yar Khan	Punjab	Plot No. 38-A, Model Town, Town Hall Area, Rahim Yar Khan	068-214-0096
36	Mian Channu Booth	Booth	17-Jul-25	Mian Channu	Punjab	47 / A, Shahdab Market, G.T Road, Mian Channu Distt. Khanewal.	065-8110052
37	Burewala Booth	Booth	17-Jul-25	Burewala	Punjab	Khewat No.301/303 Khatoon No.101 Khaura No. Previous 156 Present 89 Block A, Islamia Road, Burewala.	0675-2205734
38	Peshawar Main Booth	Booth	18-Jul-25	Peshawar	KP	35-A, Saddar Road, Peshawar	91-727-0257
39	Mardan Booth	Booth	18-Jul-25	Mardan	KP	Shop No. 01 to 06 (Ground & First Floor), Mardan City Center, Qazi Bakhsh Road, Mardan.	099-7270022
40	Haripur Hazira Booth	Booth	29-Jul-25	Haripur	KP	AI Center, Opposite Ameer Khan Plaza, Main G.T. Road, Haripur.	193
41	Toba Tek Singh Booth	Booth	5-Aug-25	Toba Tek Singh	Punjab	Khewat No. 474, Chak No.303 B & 326, Muhafish Edgah, Allama Iqbal Road, Tehsil B. Distt. Toba Tek Singh.	0460-251-2905
42	Jaranwala Booth	Booth	19-Aug-25	Jaranwala	Punjab	Khewat # 5503, Khatoon# # 7136 to 7140, Chak 127-6B, Tehsil Jaranwala Distt. Faisalabad	0411-4115077
43	Hafizabad Booth	Booth	15-Aug-25	Hafizabad	Punjab	Plot No. 3/15, Gujranwala Road, Hafizabad.	054-7512314
44	Pir Mahal Booth	Booth	19-Aug-25	Pir Mahal	Punjab	Khewat# 1520, Khatoon# 1519, Chak# 779, 6B Qadir Po Mahal, Fauser Abad, Rajpota Road, Tehsil Po Mahal, District, Toba Tek Singh.	046-3360685
45	Gojra Booth	Booth	19-Aug-25	Gojra	Punjab	P-21/3/54, Ghada Mandi, Railway Road, Gojra	0334-6596205
46	Abbottabad Booth	Booth	19-Aug-25	Abbottabad	KP	Plot No. 841, Main Manzooria Road, Abbottabad	089-2400341
47	Hangu Road Sahal Booth	Booth	19-Aug-25	Sahal	KP	Madina Tower, Old Bus Stand, Hangu Road, Sahal.	089-2520117
48	Quetta Booth	Booth	19-Aug-25	Quetta	ALDHQSTK	Shop No. 2-7/25 Shahrah-e-Iqbal, Quetta.	0812-500804
49	PWD Rawalpindi Booth	Booth	21-Aug-25	Rawalpindi	Punjab	Plot No. 1 - B, Main PWD Road, PWD Employees Cooperative Housing Scheme, Lohi Bazar, Rawalpindi	051-5421341
50	Mandi Bahaudin Booth	Booth	28-Aug-25	Mandi Bahaudin	Punjab	143 / 137 / 14, Ahi Chowk, Bank Road, Mandi Bahaudin.	054-6504540

Name of Related Party	Relationship	Address
Habib Metropolitan Bank Limited	Parent Entity	Ground Floor, HabibMetro Head Office, I.I.Chundrigar Road Karachi
Khuram Shahzad Khan	Key Management Personnel of Parent company	Appartment No. 705, Pearl 1, Ermaar, DHA Phase 8, Karachi.
Fuzail Abbas	Key Management Personnel of Parent company	House No. 105, 2nd Street Khayaban e Rahat DHA Phase 6, Karachi
Mehvish Muneera	Key Management Personnel of Parent company	House No. 99f, 13th Street, Khayaban-e-Sehar, Phase 6, DHA, Karachi
Syed Ather Ahmed	Key Management Personnel of the Parent Entity and Director of the Entity	129 A, Khayaban e Bukhari, Street 14, Phase 5, DHA, Karachi
Syed Hasnain Haider Rizvi	Key Management Personnel of the Parent Entity and Director of the Entity	45, 6th Street, Khayaban e Momin, Phase V, DHA, Karachi
Yawar Ali	Key Management Personnel of the Reporting Entity and Director of the Entity	163/B-II, Maaz Garden, Flat No. G-1 Ground Floor PECHS, Block-3, Karachi
Nadim Ahmed Jilani	Key Management Personnel of the Reporting Entity	C-107, Block D, North Nazimabad, Karachi
Touseef Ahmed Khan	Key Management Personnel of the Reporting Entity	House No. B-221, Block 5, Gulshan-e-Iqbal, Karachi
Usman Ahmed Khan	Key Management Personnel of the Parent Entity	Flat No. C-3, 1st Floor, Rock Haven apartments, Clifton Block 8, Karachi
Tauseef Muhammad Rafique	Key Management Personnel of the Parent Entity	Flat No. A-4, Block 9, Clifton, Al-Habib Garden, Karachi
Saiman Abdul Sattar	Key Management Personnel of the Parent Entity	C-92, Block 6, F. B. Area, Karachi