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CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Wazir Mumtaz Ahmed	- Chairman
Mr. Muhammad Shoaib Ibrahim	- Chief Executive Officer
Mr. Syed Rasheed Akhtar	- Non-Executive Independent Director
Mr. Saeed Uddin Khan	- Non-Executive Independent Director
Mr. Mohammad Shams Izhar	- Non-Executive Director

LEGAL ADVISOR

Mohsin Tayebaly & Company

AUDIT COMMITTEE

Mr. Syed Rasheed Akhtar	- Chairman
Mr. Wazir Mumtaz Ahmed	- Member
Mr. Mohammad Shams Izhar	- Member
Mr. Shakeel Ahmed	- Secretary

HUMAN RESOURCE COMMITTEE

Mr. Syed Rasheed Akhtar	- Chairman
Mr. Wazir Mumtaz Ahmed	- Member
Mr. Mohammad Shams Izhar	- Member
Mr. Tehsin Abbas	- Secretary

COMPANY SECRETARY

Mr. Tehsin Abbas (Officiating Company Secretary)

REGISTRAR

Central Depository Company of Pakistan Limited
Share Registrar Department
CDC House, 99-B, Block "B",
S.M.C.H.S
Main Shahrah-e-Faisal,
Karachi,
Pakistan. Tel: 111-111-500

AUDITOR

BDO Ebrahim & Co.
Chartered Accountants

BANKERS

Habib Metropolitan Bank Limited (Islamic Banking)
Soneri Bank Limited (Islamic Banking)
Meezan Bank Limited
Dubai Islamic Bank Pakistan Limited

REGISTERED OFFICE

3rd Floor, Al Manzoor Building
Dr. Ziauddin Ahmed Road, Karachi
Tel : 021-32635949-51
Fax : 021-32627373
Web : www.habibmetromodaraba.com
Email : hmm@habibmetromodaraba.com

DIRECTORS' REPORT

On behalf of the Board of Directors of Habib Metropolitan Modaraba Management Company (Private) Limited is pleased to present the un-audited Financial Statements of Habib Metro Modaraba, for the period ended March 31, 2019.

By the Grace of Almighty Allah, Habib Metro Modaraba (HMM) has completed business operations of 3rd quarter. The business performance of HMM has reached to some acceptable level in terms of financing assets and profitability. Alhamdulillah, assets financing has reached to Rs.155.221 million as compared to Rs.112.365 million at the end of 31st December, 2018. Growth in financing assets of around Rs.42.86 million is showing increasing trend of earning portfolio. The market acceptability of Residual Value Car Financing product is gradually getting better. However, due to unfavorable economic and business sentiments, the disbursement in the said product has not achieved the desired level. Our relevant team members are working hard to build sizeable assets by the end of current financial year in prudent manner without compromising merit of sound credit.

Presently, economy of Pakistan is passing through a difficult time. Businesses are under pressure due to high lending rates and substantial devaluation of Pak rupee. These elements have squeezed the growth and also pushed inflation upward to around 9% in current month. The State Bank of Pakistan (SBP) in recent Monetary Policy Statement has further increased its policy rate by 50pbs and rose to 10.75%. Tightening of monetary stance is more likely to yield the desired objectives if the fiscal policy of the country is also supportive.

Fiscal deficit has also risen in FY19 when compared to same period of last year. The said deficit was financed through borrowings from SBP which is increasing debt burden including its service cost and leave very narrow space for Public Sector Development Program. Rising input costs on the back of higher energy prices and impact of exchange rate depreciation have slowed down business activities and also pushing inflation in upward direction.

On the positive side, there are healthy improvements in foreign exchange remittances during the period of nine months of current year. According to the latest data released by the SBP, the country received remittances till 3rd quarter is higher by 8.7 percent over same period of last year. Furthermore, country's current account deficit has also been narrowed down in above period followed by lower goods and services deficit. Economists said that the country's external account continues to improve on back of lower services and goods import bill. The said progress could be due to exchange rate depreciation and other regulatory measures which have made some improvement on external front during the above period. The improvement in current account deficit is somehow an encouraging sign but still the gap in the external sector is huge and unsustainable. The rising inflationary pressure is also cause of great concern, particularly, in the circumstances of projection of lower GDP growth rate in current year.

Keeping in view of high lending rates, high inflations and continuous weakening of Pak rupees are affecting present businesses and leading towards weak generations of operating cash flows and diluted cash cycles. In present circumstances, we are cautiously moving forward and now, we are more careful in new business engagements particularly in adding of new financing assets in consumer segment.

On behalf of Board of Directors, I would like to express my sincere thanks and gratitude for the continued support and guidance provided by Securities & Exchange Commission of Pakistan and Registrar Modaraba, customers of the Modaraba for their patronage and Certificate holders who have remained committed to HMM. I also appreciate dedication, high level of professionalism and hard work of employees of HMM for smooth operations and achieving satisfactory results.

For and on behalf of Board of Directors

Karachi: April 25th, 2019

Syed Rashid Akhtar
Director

Muhammad Shoab Ibrahim
Chief Executive Officer

ڈائریکٹرز کی رپورٹ

ہم بورڈ آف ڈائریکٹرز کی جانب سے حبیب میٹرو پو لینٹن مضاربہ منیجمنٹ کمپنی (پرائیوٹ) لمیٹڈ کی غیر محتسب شدہ کھاتے برائے دورانیہ اختتامیہ ۳۱ مارچ ۲۰۱۹ء پیش کر رہے ہیں، جو کہ ہمارے لئے باعث مسرت ہے۔

اللہ کے فضل و کرم سے حبیب میٹرو مضاربہ (HMM) نے تیسری کاروباری سہ ماہی مکمل کر لی ہے۔ حبیب میٹرو مضاربہ کی کاروباری کارکردگی مالی اثاثوں اور منافع کے حساب سے کافی اُمید افزا رہی ہے۔ الحمد للہ! مالی اثاثے 155.221 ملین روپے تک پہنچ چکے ہیں جو کہ ۳۱ دسمبر ۲۰۱۸ء کے آخر تک 112.365 ملین روپے تھے۔ مالی اثاثوں میں 42.46 ملین روپے کی بڑھوتری، پورٹ فولیو میں منافع کے رجحان کو ظاہر کرتی ہے۔ مارکیٹ میں بقایا قیمت کارفنانسنگ پروڈکٹ (Residual Value Car Financing Product) میں اضافے کا رجحان ہے۔ مگر! معاشی بحران اور کاروبار کے عدم توازن کے باعث، اس پروڈکٹ کی ادائیگیوں نے ابھی مطلوبہ نتائج حاصل نہیں کئے ہیں۔ ہماری متعلقہ ٹیم کے ارکان بڑی سخت محنت کر رہے ہیں تاکہ اس مالی سال کے اختتام تک اثاثوں کے حجم میں میرٹ پر سمجھوتہ کئے بغیر خاطر خواہ اضافہ کیا جاسکے۔

پاکستان کی معیشت ابھی مشکلات میں ہے۔ کاروبار کو قرضوں کی شرح میں خسارہ، پاکستانی روپے کی گرتی ہوئی قدر کی وجہ سے شدید معاشی چیلنجز کا سامنا ہے۔ ان وجوہات کی بناء پر ترقی کم ہوئی اور مہنگائی کی سطح 9 فیصد کے آس پاس اس ماہ تک بڑھ چکی ہے۔ اسٹیٹ بینک آف پاکستان (SBP) نے اپنی حالیہ مانیٹری پالیسی برائے کھاتوں میں پالیسی ریٹ 50PBS سے 10.75 فیصد تک بڑھا دیا ہے۔ مانیٹری پالیسی سخت کرنا ملکی معاشی اہداف کو حاصل کرنے میں مددگار ثابت ہو گا۔

معاشی خسارہ پچھلے سال کے مقابلے میں معاشی سال ۲۰۱۹ء میں بڑھ گیا ہے۔ یہ خسارہ SBP کی طرف سے قرض لیکر پورا کیا جاتا رہا جس کی وجہ سے سروس لاگت بڑھ گئی اور پبلک سیکرڈو پلینٹ پروگرام کیلئے نہایت ہی کم جگہ بچی۔ توانائی کی بڑھتی قیمتوں کے پیچھے اس کی لاگت اور زر مبادلہ کی شرح میں کمی نے کاروباری سرگرمیوں کو ماند اور سست روئی کا شکار کیا اور اس وجہ سے مہنگائی کی شرح بڑھی۔

ایک مثبت پہلو یہ بھی رہا ہے کہ پچھلے نو ماہ کے دوران غیر ملکی کرنسی کی ترسیلات میں بہتری آئی ہے۔ SBP کی حالیہ تازہ ترین اعداد و شمار کے مطابق ملک میں ترسیلات میں اس تیسری سہ ماہی میں 8.7 فیصد پچھلے سال کے مقابلے میں اضافہ ریکارڈ کیا گیا ہے۔ مزید برآں! ملک میں کرنٹ اکاؤنٹ کے خسارے کو کم کر دیا گیا ہے جس کی وجہ سے اشیاء اور سروسز کا خسارہ بھی کم ہوا ہے۔ معاشی ماہرین کہتے ہیں کہ ملک کا بیرونی اکاؤنٹ، اشیاء اور سروسز کے دباؤ مدی بل میں کمی کے باعث بہتری کی طرف گامزن ہے۔ اس بہتری کی ظاہری وجہ زر مبادلہ میں کمی اور دیگر ریگولیٹری اقدامات ہو سکتی ہے۔ کرنٹ اکاؤنٹ خسارے میں بہتری بہر حال ایک مثبت پیش رفت ہے مگر بیرونی شعبے میں یہ فرق بہت بڑا اور غیر مستحکم ہے۔ بڑھتی ہوئی افراط زر کا دباؤ بھی بڑا تشویش کا باعث ہے، خاص طور پر ان حالات میں موجودہ سال میں کم جی ڈی پی (GDP) کی شرح بھی باعث تشویش ہے۔

قرضوں کی شرح، مہنگائی کی بڑھتی شرح اور پاکستانی روپے کی گرتی قدر کو مد نظر رکھتے ہوئے جو کہ حالیہ کاروباری معاملات اور کمزور بڑھوتری اور نقدی کا بہاؤ اور اُن کے کمزور چکر پر اثر انداز ہو رہی ہے۔ موجودہ حالات کے تناظر میں ہم بڑی احتیاط کے ساتھ آگے بڑھ رہے ہیں، خاص طور پر ہم اس بات کا خیال رکھ رہے ہیں کہ کمزور شعبے میں نئے کاروباری معاملات کو بڑی احتیاط کے ساتھ نئے کاروباری اثاثوں کو شامل کریں۔

بورڈ آف ڈائریکٹرز، سیکوریٹیز اینڈ ایکسچینج کمیشن آف پاکستان، رجسٹرار مضاربہ کمپنیز کا ان کی وقتاً فوقتاً رہنمائی اور مسلسل حمایت کا شکریہ اور اظہار ممنونیت کرنا چاہتا ہے اور مضاربہ کے معزز گاہکوں کا ان کی سرپرستی، کاروبار اور حالین سرٹیفیکیٹس کا حبیب میٹرو مضاربہ کے ساتھ مخلص رہنے کا۔ بورڈ، ادارے کے رواں آپریشن اور اطمینان بخش نتائج کے حاصل کرنے کے سلسلے میں حبیب میٹرو مضاربہ کے ملازمین کی لگن، اعلیٰ پائے کی پیشہ ورانہ خصوصیات اور سخت جدوجہد کو بھی سراہتا ہے۔

بورڈ آف ڈائریکٹرز کی جانب اور ان کے لیے

سید رشید اختر
ڈائریکٹر

محمد شعیب ابراہیم
چیف ایگزیکٹو آفیسر

اپریل ۲۵، ۲۰۱۹

CONDENSED INTERIM BALANCE SHEET (UNAUDITED)

As at March 31, 2019

	Note	(Unaudited) March 31, 2019 Rupees	(Audited) June 30, 2018 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property and Equipment		4,560,370	4,806,683
Intangible assets		210,570	296,710
Vehicle available for diminishing musharaka financing		39,514,399	-
Advances		-	190,321,049
Diminishing Musharakah Financing		120,542,124	8,442,291
Preliminary expense and floating costs	4	8,526,928	10,496,639
		173,354,391	214,363,372
CURRENT ASSETS			
Short Term Investment		-	50,000,000
Current portion of diminishing Musharakah financing		34,669,440	3,898,202
Advances and short term prepayments		1,846,658	389,446
Accrued profits		678,125	1,743,202
Taxation - net		3,322,122	1,069,998
Cash and bank balances		100,106,142	33,525,457
		140,622,488	90,626,305
TOTAL ASSETS		313,976,879	304,989,677
EQUITY AND LIABILITIES			
Authorized capital			
30,000,0000 Modaraba certificates of Rs. 10/- each		300,000,000	300,000,000
Issued, subscribed and paid-up share capital			
30,000,0000 Modaraba certificates of Rs. 10/- each		300,000,000	300,000,000
Statutory reserve		802,415	802,415
Unappropriated Profit		6,170,785	3,209,662
		306,973,200	304,012,077
CURRENT LIABILITIES			
Creditors, accrued and other liabilities		6,992,832	977,600
Dividend payable		10,847	-
		313,976,879	304,989,677
CONTINGENCIES AND COMMITMENTS			
	5		

The annexed notes from 1 to 10 form an integral part of these condensed interim financial information.

For Habib Metropolitan Modaraba Management Company (Private) Limited
(Modaraba Management Company)

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE

DIRECTOR

DIRECTOR

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)

For the period ended March 31, 2019

	Note	Nine Months Ended		Quarter Ended	
		For the period ended March 31, 2019	For the period from October 6 2017 to March 31, 2018	March 31, 2019	March 31, 2018
		(Rupees)	(Rupees)	(Rupees)	(Rupees)
INCOME					
Profit on Islamic certificates		2,799,397	8,324,264	686,521	4,841,934
Income from DM Financing		7,337,662	-	4,507,105	-
Profit on bank balances		1,220,334	2,803,444	918,838	125,778
Other financing income		7,684,100	-	3,005,100	-
Other Income		165,857	14,927	82,504	14,927
		19,207,350	11,142,635	9,200,068	4,982,639
Expenditure					
Amortization of preliminary expenses and floatation's fee		(1,969,711)	(8,173,650)	(646,989)	(4,156,094)
Administrative expenses		(11,245,365)	(4,550,158)	(4,118,364)	(2,501,336)
		(13,215,076)	(12,723,808)	(4,765,353)	(6,657,430)
Modaraba management company's fee		-	-	-	-
Provision for Sindh Workers' Welfare Fund (SWWF)		(31,151)	(1,872)	-	-
Profit / (loss) before taxation		5,961,123	(1,583,045)	4,434,715	(1,674,791)
Taxation	6	-	-	-	-
Profit / (Loss) after taxation		5,961,123	(1,583,045)	4,434,715	(1,674,791)
Profit / (Loss) per certificate - basic and diluted	7	0.20	(0.05)	0.15	(0.06)

The annexed notes from 1 to 10 form an integral part of these condensed interim financial information.

For Habib Metropolitan Modaraba Management Company (Private) Limited
(Modaraba Management Company)

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE

DIRECTOR

DIRECTOR

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

For the period ended March 31, 2019

	Nine Months Ended		Quarter Ended	
	For the period ended March 31, 2019	For the period from October 6 2017 to March 31, 2018	March 31, 2019	March 31, 2018
Profit / (Loss) after taxation	5,961,123	(1,583,045)	4,434,715	(1,674,791)
Total comprehensive Profit /(loss) for the period	5,961,123	(1,583,045)	4,434,715	(1,674,791)

The annexed notes from 1 to 10 form an integral part of these condensed interim financial information.

For Habib Metropolitan Modaraba Management Company (Private) Limited
(Modaraba Management Company)

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE

DIRECTOR

DIRECTOR

CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)

For the period ended March 31, 2019

	For the period ended March 31, 2019	For the period from October 6 2017 to March 31, 2018
	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Generated form Operations		
Profit before taxation	5,961,123	(1,583,045)
Adjustment of non-cash and other items:		
Depreciation expense	822,707	516,189
Amortization of preliminary expense and flotation cost	1,969,711	-
Amortization of intangible assets	86,140	-
Profit on investment	(2,799,397)	-
Profit on Modaraba's deposit account	(1,220,334)	-
	(1,141,173)	516,189
(increase) in Current assets:		
Advance and short term prepayments	(1,457,212)	(24,746,458)
Current portion of diminishing Musharakah financing	(30,771,238)	-
Increase in Current liability		
Creditors, Accrued and other liabilities	6,015,232	810,429
	(26,213,219)	(23,936,029)
Cash used in operations	(21,393,268)	(25,002,885)
CASH FLOWS FROM OPERATING ACTIVITIES		
Vehicle available for diminishing musharaka financing	(39,514,399)	-
Advance against diminishing musharaka financing	-	(6,319,500)
Advances	190,321,049	-
Diminishing Musharakah financing	(112,099,833)	-
Advance tax paid	(2,252,124)	-
Net cash generated from / (used in) operating activities	15,061,425	(31,322,385)
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to Property and equipment	(576,394)	(5,794,136)
Preliminary expenses and flotation costs	-	(4,248,450)
Investment - net	50,000,000	-
Profit received on investment	4,316,418	-
Profit received on Modaraba's deposit account	768,390	-
Net cash generated from / (used in) investing activities	54,508,414	(10,042,586)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(2,989,153)	-
Issue of certificate capital	-	300,000,000
Net cash generated from / (used in) from financing activities	(2,989,153)	300,000,000
Net increase in cash and cash equivalents during the year	66,580,685	258,635,029
Cash and cash equivalent at the beginning of the year	33,525,457	-
Cash and cash equivalent at the end of the year	100,106,142	258,635,029

The annexed notes from 1 to 10 form an integral part of these condensed interim financial information.

For Habib Metropolitan Modaraba Management Company (Private) Limited
(Modaraba Management Company)

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE

DIRECTOR

DIRECTOR

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the period ended March 31, 2019

	Issued, subscribed and paid up capital	Statutory Reserves	Unappropriated Profit/(loss)	Total
----- (Rupees) -----				
Balance as at October 06, 2017	-	-	-	-
Certificate capital issued during the period	300,000,000	-	-	300,000,000
Total comprehensive loss for the period	-	-	(1,583,045)	(1,583,045)
Balance as at March 31, 2018	<u>300,000,000</u>	<u>-</u>	<u>(1,583,045)</u>	<u>298,416,955</u>
Balance as at July 01, 2018	300,000,000	802,415	209,662	301,012,077
Total comprehensive Profit for the period	-	-	5,961,123	5,961,123
Balance as at March 31, 2019	<u>300,000,000</u>	<u>802,415</u>	<u>6,170,785</u>	<u>306,973,200</u>

The annexed notes from 1 to 10 form an integral part of these condensed interim financial information.

For Habib Metropolitan Modaraba Management Company (Private) Limited
(Modaraba Management Company)

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE

DIRECTOR

DIRECTOR

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

For the period ended March 31, 2019

1 LEGAL STATUS AND NATURE OF BUSINESS

"Habib Metro Modaraba (the Modaraba) is a multipurpose, perpetual modaraba floated under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the Rules framed there under and is managed by Habib Metropolitan Modaraba Management Company (Private) Limited (the Modaraba Management Company). After receiving certificate of minimum subscription, the Modaraba commenced its business operations with effect from October 06, 2017. The address of registered office is 3rd Floor, Al Manzoor Building, Dr. Ziauddin Ahmed Road, Karachi.

The Modaraba is listed on the Pakistan Stock Exchange Limited. The Modaraba is engaged in Residual Value car financing model on diminishing musharaka basis, providing financing for solar power equipments and other related business.

As at the balance sheet date, 60% certificates are held by Habib Metropolitan Bank Limited (the Holding Company)."

2 BASIS OF PREPARATION

- 2.1 These condensed interim financial statements of the Modaraba for the nine months ended March 31, 2019 are unaudited and being submitted to the certificate holders as required under Rule 10 of Modaraba Companies and Modaraba Rules, 1981 and have been prepared in accordance with the requirements of the International Accounting Standard 34 - "Interim Financial Reporting".
- 2.2 The condensed interim financial statements do not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the financial statements of the Modaraba as at and for the period ended June 2018.
- 2.3 These condensed interim financial statements have been presented in Pak Rupees, which is the functional currency of the Modaraba.

3 SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES AND JUDGEMENTS

- 3.1 The accounting policies and methods of computation followed for the preparation of these condensed interim financial statements are the same as those applied in preparing the full financial statements as at and for the period ended June 2018.
- 3.2 The preparation of condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by management in applying the Moradabad's accounting policies and key sources of estimation of uncertainty are the same as those that were applied to the full financial statements as at and for the period ended June 2018.
- 3.3 The financial risk management objectives and policies are consistent with those disclosed in the full financial statements of the Modaraba as at and for the period ended June 2018.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

For the period ended March 31, 2019

	For the period ended March 31, 2019	For the period from October 6 2017 to June 30, 2018
	(Unaudited) (Rupees)	(Audited) (Rupees)
4 PRELIMINARY EXPENSES AND FLOATION COSTS		
Preliminary expenses and floatation costs	10,496,639	12,422,100
Amortization during the period	(1,969,711)	(1,925,461)
	<u>8,526,928</u>	<u>10,496,639</u>

4.1 This represents expenses incurred in respect of issue of the Modaraba certificates to the public and includes cost of organization and floatation of the Modaraba, cost of printing, publication and distribution of the prospectus, underwriting expenses, commission to the bankers to the issue and brokerage and other ancillary cost. Preliminary expenses and floatation costs are being amortized on prorata basis over the period of 5 years as per Third Schedule of Modaraba Companies and Modaraba Rules, 1981.

5 CONTINGENCIES AND COMMITMENTS

There are no contingencies to report as at March 31, 2019, whereas commitments in respect of diminishing Musharakah financing amounting to Rs. 6.432 million (June 30, 2018: Rs. 23.41 million).

6 TAXATION

The income of non-trading modarabas is exempt from tax under clause 100 of the Second Schedule of the Income Tax Ordinance 2001, provided not less than 90% of its profits after appropriation to statutory reserves as required under Modaraba Regulations is distributed to the certificate holders. The Modaraba has decided to continue availing the tax exemption and hence no provision has been made this condensed interim financial information for tax liabilities for the period.

7 THE EARNING PER CERTIFICATE AS REQUIRED BY IAS 33 "EARNING PER SHARE" IS GIVEN BELOW;

	Nine Months Ended		Quarter Ended	
	March 31.2019	March 31.2018	March 31.2019	March 31.2018
	-----Rupees-----			
Profit / (Loss) after taxation	<u>5,961,123</u>	(1,583,045)	<u>4,434,715</u>	(1,674,791)
Weighted average number of certificate outstanding	<u>30,000,000</u>	30,000,000	<u>30,000,000</u>	30,000,000
Earning / (Loss) per certificate - Basic and Diluted	<u>0.20</u>	(0.05)	<u>0.15</u>	(0.06)

There were no convertible diluted potential ordinary certificate outstanding as on March 31, 2019 which have dilutive effect on earning / (loss) per certificate

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

For the period ended March 31, 2019

8 UTILIZATION OF PROCEEDS OF INITIAL PUBLIC OFFERING

The break-up of utilization of proceeds of initial public offering is being presented under the requirements of the Regulation 16(i) of Chapter VIII of Public Offering Regulations, 2017. The Modaraba has utilized the proceeds from initial public offering as follows:

	For the period ended March 31, 2019	For the period from October 6 2017 to June 30, 2018
	(Unaudited) (Rupees)	(Audited) (Rupees)
Proceeds realized	<u>300,000,000</u>	<u>300,000,000</u>
Purchase of property and equipment	4,560,370	5,816,455
Purchase of intangible assets	210,570	344,566
Preliminary expenses and floatation cost	8,526,928	12,422,100
Diminishing musharaka financing and vehicles available there against	189,881,004	-
Held for working capital, purchase of additional assets / investments etc.	<u>96,821,128</u>	<u>281,416,879</u>
	<u>300,000,000</u>	<u>300,000,000</u>

9 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on April 25, 2019 by the Board of Directors of the Modaraba Management Company.

10 GENERAL

10.1 Corresponding figures have been reclassified / re-arranged wherever necessary to facilitate comparison in the presentation in the current period. However, there are no material reclassification / re-arrangement to report. .

10.2 Figures have been rounded off to the nearest rupee.

For Habib Metropolitan Modaraba Management Company (Private) Limited
(Modaraba Management Company)

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE

DIRECTOR

DIRECTOR