



QUARTERLY **REPORT**

1st Quarter Ended
30 September, 2026

Vision Statement

To build an institution which contributes, to strengthening local businesses, creating and sustaining jobs, improving clients' living standards and enhance, shareholders' value.

Mission Statement

Our mission is to serve as a trusted partner to our clients and counterparts, by efficiently, providing financial services that enable growth and economic progress.

Company Information

Board of Directors

1. Mr. Sohail Ahmad Awan	Independent Director/Chairman
2. Mr. Aftab Ahmad	Chief Executive Officer
3. Ms. Aasiya Riaz	Non-Executive Director
4. Mr. Syed Jawwad Ahmad	Non-Executive Director
5. Mr. Muhammad Iqbal	Non-Executive Director
6. Mr. Hafiz Muddassir Alam	Non-Executive Director
7. Mr. Talha Saeed	Independent Director

Audit Committee

1. Mr. Talha Saeed	Chairperson
2. Mr. Aasiya Riaz	Member
3. Mr. Muhammad Iqbal	Member

Human Resource and Remuneration Committee

1. Mr. Sohail Ahmad Awan	Chairperson
2. Mr. Hafiz Muddassir Alam	Member
3. Syed Jawwad Ahmad	Member

Company Secretary

Mr. Muhamad Sajjad Hyder

Chief Financial Officer

Mr. Shahid Nadeem

Auditors

Ilyas Saeed & Co.
Chartered Accountant

Legal Advisor

Sayeed, Hafeez & Mirza Advocates

Registrar

F.D Share Registrar
Suit 1705 – A. 17th Floor, Saima
Trade Tower, I.I. Chundrigar Road,
Karachi.

Bankers

MCB Bank Limited
Bank Al Habib Limited
Habib Bank Limited
Bank Al Falah Limited

Registered Office

The Exchange, LSE Plaza, Kashmir
Egerton Road, Lahore.

DIRECTOR'S REVIEW REPORT

The Board of Directors of the Company is pleased to present the Un-audited Condensed Interim Financial Statements for the first quarter ended September 30, 2026.

Financial Performance Review:

The Company's financial results for the quarter ended September 30, 2026, compared to the corresponding period of the previous year (September 30, 2025), are summarized below:

Financial Highlights	Sept-26	Sept-25
	Rupees in "000"	
Operating Income	7,709	7,262
Other Income	238	2,457
Share of profit of Associates	506	2,189
Admin & General Expenses	(8,548)	(26,663)
Finance Cost	(1,601)	(37)
Profit before Taxation	(1,696)	(14,793)
Taxation	(262)	(1,692)
Net Profit	(1,957)	(16,484)
Equity + Revaluation Surplus	203,390	205,347
Total Asset	274,178	278,270
Net Asset	203,392	205,347
Total Liability	70,786.84	72,922.71
Earnings per share EPS	(0.01)	(0.06)

Operational and Revenue and Profitability Review:

The unaudited financial results for the quarter ended September 30, 2026, reflect the impact of the prevailing business climate; however, the Company remains committed to operating prudently and adapting to the evolving market dynamics.

For the quarter ended September 30, 2026, the Company recorded a Loss after tax of Rs. 1.957 million. This reflects a significant reduction in losses compared to a Loss after tax of Rs. 16.484 million reported in the corresponding first quarter of the previous year (ended September 30, 2025). Consequently, the basic and diluted loss per share for the quarter under review was Rs. (0.01), compared to a loss per share of Rs. (0.06) (Restated) in the corresponding period of the previous year.

Future Outlook:

The management is confident in the Company's ability to achieve a satisfactory level of profitability in the future, based on its strategic plans focused on income generation from its fund manager services in line with the Company's mandate to foster capital market expansion in Pakistan.

For and on behalf of the Board of Directors of
LSE FINANCIAL SERVICES LIMITED



 Chief Executive Officer



 Director

Date: October 02, 2026

Place: Lahore.

LSE FINANCIAL SERVICES LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2026

	<u>Note</u>	30-Sep-26 <u>Un-Audited</u>	30-Jun-26 <u>Audited</u>
		Rupees in thousands	
ASSETS			
NON-CURRENT ASSETS			
Investment in associates	5	156,250	155,743
Long term loans to director	6	2,022	2,021
Long term deposits	7	5,009	5,009
Good will arising on shceme		32,125	32,125
Deferred tax assets		21,600	21,747
		217,006	216,644
CURRENT ASSETS			
Receivables, advances and prepayments	8	4,031	8,950
Tax refunds due from the Government - net	9	51,876	50,165
Cash and bank balances	10	1,266	2,511
		57,172	61,627
		274,178	278,270
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital			
Issued, subscribed and paid-up capital	11	270,000	270,000
Share premium		-	-
Fair value reserve		(51,814)	(51,814)
Revenue reserves			
Unappropriated profit		(14,796)	(12,839)
		203,390	205,347
NON-CURRENT LIABILITIES			
Long Term Finance	12	-	-
Deferred taxation		-	-
		-	-
CURRENT LIABILITIES			
Trade and other payables	13	56,939	58,979
Current Portion of long term finance		-	96
Unpaid / Unclaimed dividend		27	27
		56,966	59,102
Deposits Payable related to discontinued operations		13,821	13,821
CONTINGENCIES AND COMMITMENTS	14	-	-
		274,178	278,270

The annexed notes 1 to 24 form an integral part of these financial statements.


Chief Executive Officer


Chief Financial Officer


Director

LSE FINANCIAL SERVICES LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE QUARTER ENDED SEPTEMBER 30, 2026

		1st quarter ended	
		30-Sep-26	30-Sep-25
	<u>Note</u>	<u>Un-Audited</u>	<u>Un-Audited</u>
		Rupees in thousands	
Revenue - Net	15	7,709	7,262
Administrative and general expenses	17	(8,548)	(26,663)
Operating Profit/ (Loss)		(839)	(19,401)
Other Incomes	16	238	2,457
Share of post tax profits of associates		506	2,189
Finance cost		(1,601)	(37)
Profit / (Loss) before Levy and Taxation		(1,696)	(14,793)
Levy	19	(115)	(1,692)
Profit / (Loss) before Taxation		(1,810)	(16,484)
Taxation	20	(147)	-
Profit / (Loss) for the period		(1,957)	(16,484)
Earnings Per Share - Basic and Diluted - (Restated)	21	(0.01)	(0.06)

The annexed notes 1 to 24 form an integral part of these financial statements.


Chief Executive Officer


Chief Financial Officer


Director

LSE FINANCIAL SERVICES LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED SEPTEMBER 30, 2026

	Share Capital	Share Premium	Fair value reserve	Unappropriated profit	Total Equity
	Rupees in Thousands				
Balance as at June 30, 2025 - un-audited	356,776	31,355	2,896	65,952	456,979
Net profit (Loss) for the period	-	-	-	(16,484)	(16,484)
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	-	-	(16,484)	(16,484)
Balance as on September 30, 2025	356,776	31,355	2,896	49,468	440,495
Balance as at June 30, 2026	270,000	-	(51,814)	(12,839)	205,347
Net profit (Loss) for the period	-	-	-	(1,957)	(1,957)
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	-	-	(1,957)	(1,957)
Balance as at September 30, 2026 - un-audited	270,000	-	(51,814)	(14,796)	203,390

The annexed notes from 1 to 36 form an integral part of these financial statements.


Chief Executive Officer


Chief Financial Officer


Director

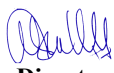
LSE FINANCIAL SERVICES LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED SEPTEMBER 30, 2026

	<u>1st quarter ended</u>	
	<u>30-Sep-26</u>	<u>30-Sep-25</u>
<u>Note</u>	<u>Un-Audited</u>	<u>Un-Audited</u>
	Rupees in thousands	
PROFIT FOR THE PERIOD	(1,957)	(16,484)
<i>Items that will never be reclassified to statement of profit or loss:</i>		
Share of other comprehensive income of associates	-	-
Less: Deferred tax impact	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	(1,957)	(16,484)

The annexed notes 1 to 24 form an integral part of these financial statements.


Chief Executive Officer


Chief Financial Officer

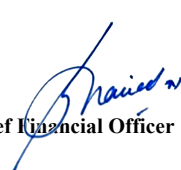

Director

LSE FINANCIAL SERVICES LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED SEPTEMBER 30, 2026

		1st quarter ended	
		30-Sep-26	30-Sep-25
	Note	Un-Audited	Un-Audited
		Rupees in thousands	
Cash flows from operating activities			
Profit before tax		(1,696)	(14,793)
Adjustments for non - cash and other items:			
Profit on saving bank accounts		-	(7)
Profit on deposits		(32)	(519)
Dividend income		(43)	(1,931)
-		(506)	(2,189)
Finance cost		1,601	37
Loss before working capital changes		1,020	(4,609)
Movement in working capital	22	2,642	20,876
Cash (used in) / generated from Operations		1,966	1,475
Finance cost paid		(1,601)	(37)
Income tax paid		(1,826)	(1,663)
Net cash (used in) / generated from operating activities		(1,461)	(225)
Cash flows from investing activities			
Investments made during the period		-	-
Receipt from investment in finance lease		(96)	(481)
Receipt from director		237	-
Profit received on saving accounts & MTS		32	526
Dividend received		43	1,931
Net cash generated from investing activities		216	1,976
Cash flows from financing activities			
Un claimed Dividend (paid) / Receipt		-	-
Long term Financing from financial institution		-	-
Net cash (used in) / generated from financing activities		-	-
Net Increase / (decrease) in cash and cash equivalents		(1,245)	1,751
Cash and cash equivalents at the beginning of the year		2,511	10,027
Cash and cash equivalents at the end of the year	10	1,266	11,778

The annexed notes 1 to 24 form an integral part of these financial statements.


Chief Executive Officer


Chief Financial Officer


Director

LSE FINANCIAL SERVICES LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED SEPTEMBER 30, 2026

1 Legal status and operations

LSE Financial Services Limited ("the Company") was originally incorporated with the name of Lahore Stock Exchange (Guarantee) Limited under the repealed Companies Act, 1913 (now the Companies Act, 2017) on October 05, 1970 as a Company limited by guarantee. The Company was re-registered as a public unlisted Company limited by shares on August 27, 2012. Consequent to the integration of all stock exchanges of the country on Jan 11, 2016, the Company obtained an NBFC license to start functioning as an investment finance services company under the name LSE Financial Services Limited. The Company underwent a series of restructuring during 2023 and 2024. On Jan 11, 2025, the Company's NBFC license expired and the Company decided to not renew the same. Hence, the Company is no longer operating as an NBFC after the said date.

On May 31, 2024, the shares of the Company started trading on Pakistan Stock Exchange Limited ("PSX") consequent to the transfer of the listing status from Modaraba Al-Mali (Modaraba) under the scheme of arrangement with its management company - LSE Capital Limited.

The geographical location and address of the Company is as under:

Business Unit
Registered Office

Geographical Location
The Exchange Hub, LSE Plaza, 19, Khayaban-e-Aiwan-e-Iqbal,

2

This condensed interim financial information has been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984 provisions of and directives issued under the Companies Act, 2017. Wherever the requirements of the Companies Act, 2017, differ with the requirements of IFRS, the requirements of the Companies Act, 2017 shall prevail.

This condensed interim financial information does not include all information required for annual financial statements and therefore should be read in conjunction with the annual financial statements for the year ended June 30, 2026.

The management of the Company is confident that it will be able to meet its obligations and carry on business without any curtailment based on the grounds that the Company will be able to achieve satisfactory level of profitability in the future based on the plans drawn up by the management for this purpose, which include income arising from rentals and investments.

3 Accounting Policies

The significant accounting policies are adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

4 Taxation

Income tax expense is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year.

	<u>Note</u>	30-Sep-26	30-Jun-26
		<u>Un-Audited</u>	<u>Audited</u>
		Rupees in thousands	
5 INVESTMENT IN ASSOCIATES			
<i>Under Equity Method</i>			
LSE Capital Limited		-	-
Digital Custodian Company Limited		156,250	155,743
		<u>156,250</u>	<u>155,743</u>
		DCCL	DCCL
Balance as at Jun 30, 2026		155,744	213,306
Share of profit/ (loss) from associates		506	3,396
Adjustment of Associate Income after Scheme		-	(60,958)
		<u>156,250</u>	<u>155,744</u>
No. of shares held		14,401,436	14,401,436
Shareholding in %age		36.00%	36.00%
		DCCL	DCCL
Revenue		35,114	137,406
Profit after income tax		1,406	9,431
Other comprehensive income		-	-
Total comprehensive income		<u>1,406</u>	<u>9,431</u>
Issued, subscribed and paid-up capital		47,402	44,450
Non-current assets		413,424	410,885
Current liabilities		(15,257)	(11,173)
Non-current liabilities		(11,586)	(11,586)
		<u>433,983</u>	<u>432,576</u>
Net assets of the associate			
Proportion of the company ownership interest		36%	36%
Net assets of the associate after intercompany elimination		<u>156,250</u>	<u>155,743</u>
6 LONG TERM LOANS TO DIRECTOR			
Loan to Executive Director		4,111	4,347
Less: Reduce rate discounting		(1,302)	(1,302)
		2,809	3,045
Less: current portion of loan		(787)	(1,024)
		<u>2,022</u>	<u>2,021</u>
7 LONG TERM DEPOSITS			
Utilities		1,224	1,224
Marginal Trading System of NCCPL		3,785	3,785
		<u>5,009</u>	<u>5,009</u>
8 RECEIVABLES, ADVANCES AND PREPAYMENTS			
<i>Receivables</i>			
Fund Management fee receivable	8.1	2,934	6,091
<i>Unsecured - Considered good</i>			
Prepayments		309	1,835
Current portion of long term loans		787	1,024
		<u>4,031</u>	<u>8,950</u>
8.1 Other receivables from related parties:			
MCF Trust Fund		358	750
IPF Trust Fund		916	1,935
TCF Trust Fund		1,660	3,433
		<u>2,934</u>	<u>6,093</u>

9 TAX REFUNDS DUE FROM THE GOVERNMENT - NET

Opening Balance	50,165	45,521
Income tax deducted at source during the year	1,826	5,074
Provision of income tax for the year	(115)	(430)
	<u>51,876</u>	<u>50,165</u>

10 CASH AND BANK BALANCES

Cash at banks on :			
-Saving accounts	10.1	<u>1,266</u>	<u>2,511</u>
10.1 These carry mark-up @ 10.00% p.a. (June 30, 2026: 9.50% to 10.50% p.a.).			

11 SHARE CAPITAL

Authorized share capital

Authorized share capital comprises of 42,900,000 (June 30, 2026: 42,900,000) Ordinary shares of Rs. 1 each.

Issued, subscribed and paid up capital

30/Sep/26	30/Jun/26		Note	30-Sep-26	30-Jun-26
(Number of shares)				Un-Audited	Audited
				Rupees in thousands	
27,000,000	27,000,000	Ordinary shares of Rs. 1/- each issued for	11.1	270,000	270,000
				<u>270,000</u>	<u>270,000</u>

11.1 Pursuant to the shareholders' special resolution in the extraordinary general meeting held on June 5, 2026, the face value of each ordinary share of the Company was split from Rs. 10 to Rs. 01. Accordingly, each existing ordinary share was subdivided into ten ordinary shares of Rs. 01 each, without any alteration to the rights and privileges attached to the shares.

12 LONG TERM FINANCING

		30-Sep-26	30-Jun-26
LONG TERM FINANCING		<u>Un-Audited</u>	<u>Audited</u>
		Rupees in thousands	
From banking institution - secured			
Bank Al Habib Limited	12.1	-	96
Less: Current portion shown under current liabilities		-	(96)
		<u>-</u>	<u>0</u>

12.1 The long term financing facility has been obtained from Bank Al Habib Limited for the purchase and installation of 100 KW On-Grid Solar System under the State Bank of Pakistan financing scheme for Renewable Energy Category-II. It carries mark-up at SBP rate of 2% with spread of 2% per annum, payable quarterly. The bank has marked lien over PLS accounts for Rs. 3.94 million. The tenor of the facility is 5 years from the date of disbursement.

13 TRADE AND OTHER PAYABLES

		30-Sep-26	30-Jun-26
	Note	Un-Audited	Audited
		Rupees in thousands	
Trade creditors		1,113	985
Related Party	13.1	48,341	51,428
Accrued liabilities		2,205	2,861
PRA Sales Tax		954	961
Withholding tax payable		387	387
Provision for Punjab Worker Welfare Fund		2,345	2,345
Accrued mark-up		1,593	13
		<u>56,938</u>	<u>58,979</u>

13.1 This represents amounts payable to related parties arising in the ordinary course of business. These balances are unsecured, repayable on demand, and bear mark-up at six-month KIBOR plus 1% per annum in accordance with the approval of the members of the Company and as per the requirements of section 199 of the Companies Act, 2017.

14 Contingencies and Commitments

14.1 Contingencies

15.1.1 The Company has not provided for the provision against Punjab Workers Welfare Fund (WWF) amounting to Rs. 2.345 million (2026: Rs. 2.345 million) in these financial statements on the grounds that in accordance with the provisions of Punjab Workers Welfare Fund Act, 2019, the business activities of the Company do not fall in the definition of establishment as defined in the Act. The Company has also taken up the case with the Punjab Revenue Authority (PRA). The Company expects favorable outcome in this regard, therefore, no provision has been made in these financial statements.

14.2 Commitments

There is no commitment outstanding as at the reporting date (June 30, 2026: Rs. nil).

		30-Sep-26	30-Sep-25
	<u>Note</u>	<u>Un-Audited</u>	<u>Un-Audited</u>
		Rupees in thousands	
15 REVENUE			
Fund and operational management fee	15.1	9,177	8,645
Less: PRA sales tax		(1,468)	(1,383)
		<u>7,709</u>	<u>7,262</u>

15.1 This represents funds & operation management fee charged to Members' Contribution Fund, Investors Protection Fund and TREC Holders' Contribution fund trust for the period ended September 30, 2026. Funds & operation management fee is calculated at the rate of 2.00% on closing net assets of the funds as per management accounts.

16 OTHER INCOMES

Income from financial assets

Short term investments

Profit on saving bank accounts	-	7
Profit on deposits	32	377
Dividend income	43	1,931
Markup on advances to related parties	-	142
Markup on loan to director	163	-
	<u>238</u>	<u>2,457</u>

		30-Sep-26	30-Sep-25
		Rupees in thousands	
17 ADMINISTRATIVE AND GENERAL EXPENSES			
Salaries and benefits	17.1	1,636	8,529
Travelling and conveyance		328	1,219
Communication and public relations		35	45
Repair and maintenance		2,507	-
Security expenses		-	1,328
Legal and professional charges		2,516	9,842
Consultancy charges		-	3,600
MTS charges		168	101
Fee and subscription		929	794
Donations		-	900
Others charges		-	305
		<u>8,548</u>	<u>26,663</u>

17.1 Salaries and benefits include Rs. 0.064 million (September 30, 2025: Rs. 0.055 million) in respect of contribution to provident fund.

18 FINANCE COST

Mark-up on financing	18.1	1,581	19
Bank charges		20	18
		<u>1,601</u>	<u>37</u>

18.1 This consists of interest payable to Bank Alhabib Limited against financing facility taken by company.

		30-Sep-26	30-Sep-25
		<u>Un-Audited</u>	<u>Un-Audited</u>
		Rupees in thousands	
19 LEVY			
Final tax		115	1,692
Minimum tax		-	-
		<u>115</u>	<u>1,692</u>

		30-Sep-26	30-Sep-25
		<u>Un-Audited</u>	<u>Un-Audited</u>
		Rupees in thousands	
20 TAXATION			
Current		147	-
Deferred tax		-	-
		<u>147</u>	<u>-</u>

21 EARNINGS PER SHARE

Basic earnings / (loss) per share

			Restated
Profit after tax attributable to ordinary shareholders	(Rupees in thousand)	<u>(1,957)</u>	<u>(16,484)</u>
Weighted average number of shares outstanding during the year	(Number of shares in thousand)	<u>270,000</u>	<u>270,000</u>
Earnings per share	(Rupees)	<u>(0.01)</u>	<u>(0.06)</u>

30-Sep-26 30-Sep-25

Un-Audited Un-Audited
Rupees in thousands

22 MOVEMENT IN WORKING CAPITAL

(Increase) / decrease in current assets:

- Receivables, advances and prepayments	4,920	(928)
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Increase / (decrease) in current liabilities:

- Trade and other payables	(2,278)	21,804
- Deposits Payable related to discontinued operations	-	-
	<u>(2,278)</u>	<u>21,804</u>
	<u>2,642</u>	<u>20,876</u>

23 TRANSACTIONS WITH RELATED PARTIES

Related parties companies associated companies / undertakings, companies where directors also hold directorship, directors, retirement benefits fund, key management personnel, etc. The related parties of the Company are as follows:

Names of Related Parties	Basis of Relationship	Percentage shareholding or common directorship
Associated Companies		
Digital Custodian Company Limited	Shareholding	36.00%
LSE Ventures Limited	Common directorship	0.00%
LSE Capital Limited	Common directorship	0.00%
Directors		
Aftab Ahmad	Director	21.14%
Aasiya Riaz	Director	0.00%
Sohail Ahmed Awan	Director	0.00%
Syed Jawwad Ahmad	Director	0.00%
Muhammad Iqbal	Director	0.00%
Hafiz Mudassir Alam	Director	0.00%
Talha Saeed	Director	0.00%

Names of Related Parties	Relationship	Transactions during the year	30-Sep-26	30-Jun-26
LSE Capital Limited	Associate	Payment of expenses on behalf of company	1,434	-
		Loan received back	3,000	-
		Markup on advances to associate	1,593	3,997
		Advisory fee paid	-	6,003
LSE Ventures Limited	Associate	Payment of expenses on behalf of company	-	-
		Expenses paid on behalf of company-reimbursed	-	-
		Markup on advances to associate	-	-
		Loan received back	1,628	-
LSE - Employees' Provident Fund Trust	Employee benefit fund		67	1,000
Aftab Ahmad	Director	Consultancy charges	-	-
		Repayment of loan	237	8,748
		Reimbursable expenses	-	-
		Markup received on loan	163	1,204
Accrued and other liabilities				
Payable to LSE Capital Limited			48,341	49,800
Payable to LSE Capital Limited			-	1,628

24 CORRESPONDING FIGURES

- 24.1 In order to comply with the requirements of International Accounting Standard 34 - "Interim Financial Reporting", the condensed interim balance sheet and condensed interim statement of changes in equity have been compared with the balances of annual audited financial statement of preceding financial year, whereas, the condensed interim profit and loss account, condensed interim cash flow statement have been compared with the balances of comparable period of immediately preceding financial year.
- 24.2 The figures in this financial information have been rounded off to the nearest Rupees in thousands unless otherwise specified.

25 AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorized to issue on 30 October, 2026 by the Board of Directors of the Company.



Chief Executive Officer



Chief Financial Officer



Director

