

# **AWWAL MODARABA**

QUARTERLY REPORT  
MARCH 31, 2021

MANAGED BY  
AWWAL MODARABA MANAGEMENT LIMITED

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Mr. Khalid Aziz Mirza	Chairman	Independent Director
Mr. Shahid Ghaffar		Independent Director
Ms. Ayesha Aziz		Non-Executive Director
Mr. Abdul Jaleel Shaikh		Non-Executive Director
Mr. Ahmed Ateeq		Non-Executive Director
Mr. Karim Hatim		Chief Executive Officer

### **Audit Committee**

Mr. Shahid Ghaffar	Chairman
Mr. Khalid Aziz Mirza	Member
Mr. Abdul Jaleel Shaikh	Member
Mr. Ahmed Ateeq	Member

### **Human Resource and Remuneration Committee**

Mr. Khalid Aziz Mirza	Chairman
Ms. Ayesha Aziz	Member
Mr. Karim Hatim	Member

### **Company Secretary**

Ms. Misbah Asjid

### **Chief Financial Officer**

Mr. Aftab Afroz Mahmoodi

### **Auditor**

BDO Ebrahim & Co, Chartered Accountants

### **Bankers**

Habib Bank Limited  
Dubai Islamic Bank  
Soneri Bank

### **Certificate Registrar**

THK Associates (Private) Limited.  
Plot No: 32-C, Jami Commercial, Street No: 2,  
DHA, Phase-VII, Karachi, Tel: 021-111-000-322  
Fax: 021-35310190, E-mail: sfc@thk.com.pk

### **Legal Advisor**

LAM Ebrahim Mohsin

### **Shariah Advisor**

Mufti Muhammad Hassaan Kaleem

### **Registered Office**

3<sup>rd</sup> Floor, Horizon Vista, Plot No:  
Commercial 10, Block-4, Clifton, Karachi  
Phone : 021- 38771685,  
Fax: 021-35374275

Director Report  
For the nine months period ended 31 March 2021

On behalf of the Board of Directors of Awwal Modaraba Management Limited, the management company of Awwal Modaraba, we are pleased to present Directors' Report together with the unaudited financial results of Awwal Modaraba for the nine months period ended 31 Mar 2021.

#### Economy

According to the Pakistan Development Update issued by the World Bank in April 2021, GDP growth has been projected for 1.3% for the current year which is in line with the estimate given by International Monetary Fund, recovering to 4% in FY2022. The State Bank of Pakistan remains more optimistic about economic recovery. However, there are major concerns on the outbreak of third wave of Covid-19 with rising cases in the country. This poses a downside risk to economic recovery and the vaccination campaign is in full swing to contain the adverse impact. The Central Bank has continued to be supportive and kept the policy rate unchanged at 7% since June 2020 and introduced further subsidized lending schemes for low cost housing. Exchange rate has also strengthened during this period.

Pakistan also received the third tranche of approx. USD 500 Million by end of March 2021, bringing the total to USD 2 billion so far since the inception of the scheme in May 2019. Strict economic measures were taken in line with the program including increase in electricity tariff and withdrawal of income tax exemptions of nearly PKR 140 billion along with structural reforms of the Central Bank. The tax exemption on income of modaraba sector on declaration of 90% and above dividend has been withdrawn which is a great setback for the sector.

#### Financial Performance

The management has remained conservative in taking any fresh exposure which has led to decline in value of outstanding portfolio which amounted to PKR 530 Million on March 31, 2021 compared to PKR 606 million at the end of the first six months of FY2021. In absence of fresh disbursements, excess liquidity build up of PKR 513 Million approx. was placed with banks and in investments. During the nine months under review, overall revenues have been recorded at PKR 75.62 million. Total expenses for the period were contained at PKR 40.71 million. The Modaraba posted profit before tax for the period at PKR 34.14 million. The management is looking continuously for safe and viable opportunities to deploy the surplus liquidity. However, change in the taxation regime will have a significant impact going forward.

#### Governance

There has been no change in the Board of Directors of Awwal Modaraba Management Limited during the period under review.

#### Acknowledgement

The Board would like to acknowledge and appreciate Securities and Exchange Commission of Pakistan and Registrar Modaraba for their continuous guidance and support. We would like to avail this opportunity to thank its customers and investors for placing their trust in the Modaraba.

On behalf of the Board



Karim Hatim  
Chief Executive  
Date: 23 Feb 2021



Abdul Jaleel Shaikh  
Director

# ڈائریکٹر رپورٹ

برائے اختتام نومبر 31 مارچ 2021

اول مضاربہ منچمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز جو اول مضاربہ کی منچمنٹ کمپنی ہے اول مضاربہ کے غیر آڈٹ شدہ مالی نتائج برائے اختتام نومبر 31 مارچ 2021 کے ڈائریکٹرز رپورٹ پیش کرتے ہوئے انتہائی مسرت محسوس کر رہے ہیں۔

## معیشیت

ورلڈ بینک کی طرف سے اپریل 2021 میں جاری کردہ پاکستان ڈویلپمنٹ اپڈیٹ کے مطابق رواں سال کے لئے جی ڈی پی میں 1.3 فیصد اضافے کی پیشن گوئی کی گئی ہے جو کہ بین الاقوامی مالیاتی فنڈ کے تخمینے کے مطابق ہے جو مالی سال 2022 میں 4 فیصد ہوگئی ہے۔ اسٹیٹ بینک آف پاکستان معاشی بحالی کے بارے میں زیادہ پر امید ہے۔ تاہم کوویڈ 19 کی تیسری لہر کے پھیلنے پر ملک میں بڑے پیمانے پر خدشات ہیں جس کے نتیجے میں ملک میں کیسز بڑھ رہے ہیں اس سے معاشی بحالی کا ایک منفی خطرہ لاحق ہے اور اس کے منفی اثرات پر قابو پانے کے لئے ویکسینیشن مہم زوروں پر ہے۔ مرکزی بینک معاون رہا ہے اور پالیسی شرح کو 2020 سے 7 فیصد پر مستحکم رکھا ہے اور کم لاگت ہاؤسنگ کے لئے مزید رعایتی قرضوں کی اسکیمیں متعارف کروائی ہیں۔ اس دوران شرح مبادلہ بھی مستحکم ہوئی ہے۔

پاکستان کو مارچ 2021 کے آخر تک تقریباً 500 ملین امریکی ڈالر کی تیسری قسط بھی ملی، جس نے مئی 2019 میں اس اسکیم کے آغاز سے اب تک مجموعی طور پر 2 ارب ڈالر تک پہنچا دیا۔ اس پروگرام کے مطابق سخت معاشی اقدامات کیے گئے تھے جن میں بجلی کے نرخوں میں اضافہ اور سینٹرل بینک کی ساختی اصلاحات کے ساتھ تقریباً پاکستانی روپے 140 ارب کے انکم ٹیکس چھوٹ کو واپس لینے سمیت جیسے اقدامات شامل ہیں۔ 90 فیصد اور اس سے زیادہ لابانش کے اعلان پر مضاربہ سیکٹر کی آمدنی پر ٹیکس چھوٹ واپس لی گئی ہے جو اس شعبے کے لئے بہت بڑا دھچکا ہے۔

## مالیاتی کارکردگی

انتظامیہ کسی بھی تازہ سرمایہ کاری میں محتاط رہی ہے جس کی وجہ سے بقایا پورٹ فولیو کی مالیت میں 31 مارچ 2021 کو 530 ملین پاکستانی روپے ہے جو مالی سال 2021 کے پہلے چھ ماہ کے اختتام پر 606 ملین پاکستانی روپے تھی۔ تازہ ترین مالی اعانت کی عدم موجودگی میں 513 ملین پاکستانی روپے اضافی لیکویڈیٹی بینکوں کے ساتھ اور سرمایہ کاری میں رکھی گئی ہیں۔ نومبر کے جائزے کے دوران مجموعی طور پر آمدنی 75.62 ملین پاکستانی روپے ریکارڈ کی



گئی۔ اس مدت کے کل اخراجات 40.71 ملین پاکستانی روپے تھے۔ مضاربہ نے ٹیکس سے پہلے منافع 34.14 ملین پاکستانی روپے حاصل کیا۔ انتظامیہ اس اضافی لیکویڈیٹی کی تعیناتی کے محفوظ اور قابل عمل مواقع تلاش کر رہی ہے۔ تاہم ٹیکس نظام میں تبدیلی کا آگے بڑھنے پر ایک خاص اثر پڑے گا۔

## نظامت

زیر نظر مدت کے دوران اول مضاربہ منجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز میں کوئی تبدیلی نہیں کی گئی ہے۔

## تسلیمات/ اظہار تشکر

بورڈ سیکورٹیز اینڈ ایکسچینج کمیشن پاکستان اور رجسٹرار مضاربہ کی جانب سے ان کی مسلسل رہنمائی اور حمایت کو سراہتے ہیں اور انہیں تسلیم کرتے ہیں۔ اس کے علاوہ ہم مضاربہ کے صارفین اور سرمایہ کاروں کی جانب سے مضاربہ پر بھروسہ کرنے پر ان کا شکریہ ادا کرتے ہیں۔  
بورڈ کی جانب سے۔

ڈائریکٹر

چیف ایگزیکٹو آفیسر

مورخہ: 23 فروری 2021

**AWWAL MODARABA**  
**CONDENSED INTERIM BALANCE SHEET**  
**AS AT MARCH 31, 2021**

		(Un-audited) March 31, 2021 Rupees	(Audited) June 30, 2020 Rupees
<b>ASSETS</b>	<b>Notes</b>		
<b>CURRENT ASSETS</b>			
Bank balances	4	313,261,748	259,908,801
Modaraba term deposit	5	200,000,000	-
Accruals, prepayments, advances and other receivables		63,158,233	71,083,747
Current portion of receivable against advisory fee	6	52,649,064	34,904,238
Current portion of investment against repurchase agreement	7	-	48,878,899
Current portion of Musharika Finance	8	230,000,000	452,380,207
Current portion of Diminishing Musharika Finance	9	76,666,666	33,333,334
Current portion of long term loans		2,042,999	1,914,848
Receivable from related party		11,870,234	-
Taxation recoverable		11,176,231	10,515,883
<b>TOTAL CURRENT ASSETS</b>		<b>960,825,175</b>	<b>912,919,957</b>
<b>NON CURRENT ASSETS</b>			
Receivable against advisory fee	6	1,280,020	6,793,225
Long term portion of Musharika Finance	8	-	50,325,885
Long term portion of Diminishing Musharika Finance	9	223,333,334	266,666,666
Long term loans		1,018,240	2,644,879
Long term deposit		75,000	75,000
Intangible asset	10	1,828,661	3,806,159
Operating fixed assets	11	208,274	459,463
<b>TOTAL NON CURRENT ASSETS</b>		<b>227,743,529</b>	<b>330,771,277</b>
<b>TOTAL ASSETS</b>		<b>1,188,568,704</b>	<b>1,243,691,234</b>
<b>LIABILITIES AND EQUITY</b>			
<b>CURRENT LIABILITIES</b>			
Accrued expenses	12	23,826,659	14,901,776
Payable to related parties	14	10,923,282	21,851,692
Unclaimed profit distribution		183,372	158,875
		34,933,313	36,912,343
<b>NON CURRENT LIABILITIES</b>			
Defined benefit obligation	13	-	7,280,767
<b>TOTAL LIABILITIES</b>		<b>34,933,313</b>	<b>44,193,110</b>
<b>CERTIFICATE HOLDERS' EQUITY</b>			
Certificate capital:			
Authorised certificate capital			
100,000,000 Modaraba Certificates of Rs. 10 each	15	1,000,000,000	1,000,000,000
Issued, subscribed, and paid-up certificate capital			
100,000,000 Modaraba Certificates of Rs. 10 each		1,000,000,000	1,000,000,000
Statutory reserve	16	122,948,224	116,120,771
Unappropriated profit		30,687,167	83,377,353
<b>TOTAL EQUITY</b>		<b>1,153,635,391</b>	<b>1,199,498,124</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>1,188,568,704</b>	<b>1,243,691,234</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	17		

The annexed notes from 1 to 26 form an integral part of these condensed interim financial statements.

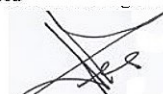
For Awwal Modaraba Management Limited



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE OFFICER



DIRECTOR



DIRECTOR

**AWWAL MODARABA**  
**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)**  
**FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2021**

		For the Nine Months ended		For the Quarter ended	
		March 31,	March 31,	March 31,	March 31,
		2021	2020	2021	2020
	Note	----- Rupees -----			
<b>Income</b>					
Advisory fee		18,100,000	24,000,000	15,000,000	-
Income from Investment against repurchase agreement		3,273,199	7,298,485	187,254	2,448,372
Income from Musharika Finance		29,471,513	45,103,582	6,126,288	16,911,447
Income from Diminishing Musharika Finance - net	18	7,937,194	38,652,947	(9,911,429)	16,054,821
Income from deposits with banks		7,649,832	10,107,738	4,049,891	2,433,905
Income from Modaraba Term Deposit		9,189,039	14,991,781	3,205,478	2,893,151
		<u>75,620,777</u>	<u>140,154,533</u>	<u>18,657,482</u>	<u>40,741,696</u>
<b>Expenses</b>					
Administrative and operating expenses		(40,711,665)	(42,165,477)	(11,498,589)	(13,461,222)
Financial charges		(75,166)	(97,894)	(6,426)	(7,502)
		<u>34,833,946</u>	<u>97,891,162</u>	<u>7,152,467</u>	<u>27,272,972</u>
Management Company's remuneration		-	-	-	-
Provision for Sales Tax on Management Company's remuneration		-	-	-	-
		-	-	-	-
Provision for Workers' Welfare Fund	12.1	(696,679)	(1,957,823)	(143,049)	(545,459)
<b>Profit for the period before taxation</b>		<u>34,137,267</u>	<u>95,933,339</u>	<u>7,009,418</u>	<u>26,727,513</u>
Taxation	19	-	-	-	-
<b>Profit for the period after taxation</b>		<u><u>34,137,267</u></u>	<u><u>95,933,339</u></u>	<u><u>7,009,418</u></u>	<u><u>26,727,513</u></u>
Earnings per certificate - basic and diluted	20	0.34	0.96	0.07	0.27

The annexed notes from 1 to 26 form an integral part of these condensed interim financial statements.

**For Awwal Modaraba Management Limited**  
**(Management Company)**

  
**CHIEF FINANCIAL OFFICER**

  
**CHIEF EXECUTIVE OFFICER**

  
**DIRECTOR**

  
**DIRECTOR**

**AWWAL MODARABA**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2021**

	For the Nine Months ended		For the Quarter ended	
	March 31,	March 31,	March 31,	March 31,
	2021	2020	2021	2020
	----- Rupees -----			
Profit for the period	34,137,267	95,933,339	7,009,418	26,727,513
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u>34,137,267</u>	<u>95,933,339</u>	<u>7,009,418</u>	<u>26,727,513</u>

The annexed notes from 1 to 26 form an integral part of these condensed interim financial statements.

**For Awwal Modaraba Management Limited**  
**(Management Company)**



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE OFFICER



DIRECTOR



DIRECTOR

**AWWAL MODARABA**  
**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)**  
**FOR THE NINE MONTHS ENDED MARCH 31, 2021**

	Notes	March 31, 2021 Rupees	March 31, 2020 Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit for the period before taxation		34,137,267	95,933,339
Adjustments for			
Depreciation on operating fixed assets	11	251,189	801,534
Amortisation on intangible asset	10	1,977,498	2,082,672
		<u>36,365,954</u>	<u>98,817,545</u>
<b>Changes in assets</b>			
Accruals, prepayments, advances and other receivables		7,925,514	(18,436,860)
Modaraba Term Deposit		(200,000,000)	-
Receivable against advisory fee		(12,231,621)	38,667,875
Disbursement of Musharika Finance		(200,955,090)	(200,000,000)
Proceeds from repayment / settlement of Musharika Finance		473,661,182	255,794,648
Disbursement of Diminishing Musharika Finance		-	(135,000,000)
Proceeds from repayment / settlement of Repurchase Agreement		48,878,899	-
Receivable from related party		(11,870,234)	-
Long term loans		1,498,488	1,475,723
		<u>106,907,138</u>	<u>(57,498,614)</u>
<b>Changes in liabilities</b>			
Accrued expenses		1,644,116	1,748,219
Payable to related parties		(10,928,410)	(11,799,969)
Unclaimed profit distribution		24,497	14,866
		<u>(9,259,797)</u>	<u>(10,036,884)</u>
Taxes withheld		(660,348)	(2,692,732)
Net cash used in operating activities		<u>133,352,947</u>	<u>28,589,315</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Profit paid to certificate holders		(80,000,000)	(89,000,000)
Net cash used in financing activities		<u>(80,000,000)</u>	<u>(89,000,000)</u>
Net decrease in cash and cash equivalents		53,352,947	(60,410,685)
Cash and cash equivalents at beginning of the period		259,908,801	164,135,475
Cash and cash equivalents at end of the period		<u>313,261,748</u>	<u>103,724,790</u>

The annexed notes from 1 to 26 form an integral part of these condensed interim financial statements.

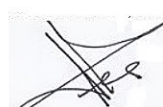
**For Awwal Modaraba Management Limited**  
**(Management Company)**



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE OFFICER



DIRECTOR



DIRECTOR



**AWWAL MODARABA**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)**  
**FOR THE NINE MONTHS ENDED MARCH 31, 2021**

	Reserves			
	Issued, subscribed, and paid up certificate capital	*Statutory reserve	Unappropriated profit	Total
	(Rupees)			
Balance as at July 01, 2019	1,000,000,000	95,591,501	89,166,007	1,184,757,508
Total comprehensive income for the period				
Profit for the period	-	-	95,933,339	95,933,339
Other comprehensive income for the period	-	-	-	-
	-	-	95,933,339	95,933,339
Transfer to statutory reserve	-	19,186,668	(19,186,668)	-
<b>Transactions with Certificate Holders of the Modaraba - Distribution</b>				
Profit distribution for the year ended June 30, 2019 @ Rs. 0.89 per certificate	-	-	(89,000,000)	(89,000,000)
Balance as at March 31, 2020	1,000,000,000	114,778,169	76,912,678	1,191,690,847
Balance as at July 01, 2020	1,000,000,000	116,120,771	83,377,353	1,199,498,124
Total comprehensive income for the period				
Profit for the period	-	-	34,137,267	34,137,267
Other comprehensive income for the period	-	-	-	-
	-	-	34,137,267	34,137,267
Transfer to statutory reserve	-	6,827,453	(6,827,453)	-
<b>Transactions with Certificate Holders of the Modaraba - Distribution</b>				
Profit distribution for the year ended June 30, 2020 @ Rs. 0.80 per certificate	-	-	(80,000,000)	(80,000,000)
Balance as at March 31, 2021	1,000,000,000	122,948,224	30,687,167	1,153,635,391

\*Statutory reserve represents profit set aside to comply with the Prudential Regulation for Modarabas issued by Securities and Exchange Commission of Pakistan.

The annexed notes from 1 to 26 form an integral part of these condensed interim financial statements.

**For Awwal Modaraba Management Limited**  
**(Management Company)**



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE OFFICER



DIRECTOR



DIRECTOR

## **AWWAL MODARABA**

### **NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2021**

#### **1. LEGAL STATUS AND OPERATIONS**

- 1.1 Awwal Modaraba (the Modaraba) has been floated under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the Rules framed thereunder. The Modaraba is managed by the Awwal Modaraba Management Limited (Management Company), a Company wholly owned by Pak Brunei Investment Company Limited (Holding Company). After receiving certificate of minimum subscription, the Modaraba commenced its business operations with effect from February 10, 2016. The registered office is situated at 3rd Floor, Horizon Vista, Plot Commercial No. 10, Block No. 4, Scheme No. 5, Clifton, Karachi.

Awwal Modaraba is a perpetual, multi purpose and multi dimensional Modaraba and is primarily engaged in providing Working Capital, Term Finance, Ijarah, Musharika, Morabaha and other Shari'ah compliant investment / instrument to credit worthy customers. The Modaraba is listed on Pakistan Stock Exchange Limited (PSX).

#### **2. BASIS OF PREPARATION**

##### **2.1 Statement of Compliance**

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

The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of International Accounting Standard (IAS) 34 - Interim Financial Reporting, Islamic Financial Accounting Standards (IFAS) as notified under the provisions of the Companies Act, 2017 and made applicable to Modarabas, Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, the Modaraba Companies and Modaraba Rules, 1981 and directives issued by the Securities and Exchange Commission of Pakistan (SECP) ['the Modaraba Regulations'].

Wherever the requirements of 'the Modaraba Regulations' differ from the requirements of International Accounting Standard (IAS) 34 - Interim Financial Reporting and Islamic Financial Accounting Standards (IFAS) as notified under the provisions of the Companies Act, 2017 and made applicable to Modarabas, requirements of 'the Modaraba Regulations' have been followed.

- 2.1.2 The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of IAS 34. These condensed interim financial statements does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Modaraba for the year ended June 30, 2020.

- 2.1.3 These condensed interim financial information is being submitted to the certificate holders if requested as required by listing regulations of Pakistan Stock Exchange vide section 237 of the Companies Act, 2017

## **2.2 Basis of measurement**

These condensed interim financial statements have been prepared under the historical cost convention except as stated otherwise in these condensed interim financial statements.

These condensed interim financial statements has been prepared following accrual basis of accounting except for cash flow information.

## **2.3 Functional and presentation currency**

These condensed interim financial statements are presented in Pakistani Rupees which is the Modaraba's functional and presentation currency. All amounts have been rounded to the nearest rupee, unless otherwise indicated.



## 2.4 Critical accounting estimates and judgements

In preparing these condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of the Modaraba's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by the management in applying the Modaraba's accounting policies and the key sources of estimating the uncertainty were the same as those that apply to the audited financial statements as at and for the year ended June 30, 2020.

## 3. SIGNIFICANT ACCOUNTING POLICIES

- 3.1 The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of audited annual financial statements of the Modaraba as at and for the year ended June 30, 2020.
- 3.2 The Modaraba's financial risk management objectives and policies are consistent with that disclosed in annual audited financial statements of the Modaraba for the year ended June 30, 2020.

		(Un-audited) March 31, 2021 Rupees	(Audited) June 30, 2020 Rupees
	Note		
<b>4. BANK BALANCES</b>			
Balances with banks			
in current accounts		183,800	159,289
in deposit accounts	4.1	<u>313,077,948</u>	<u>259,749,512</u>
		<u>313,261,748</u>	<u>259,908,801</u>

- 4.1 These balances are held with Islamic banks and Islamic Banking Windows of commercial banks and carry profit at an average rate of 3.99% to 6% (June 30, 2020: 4.1% to 12.25%) per annum.

		(Un-audited) March 31, 2020 Rupees	(Audited) June 30, 2020 Rupees
	Note		
<b>5. MODARABA TERM DEPOSIT</b>			
Modaraba Term Deposit	5.1	<u>200,000,000</u>	<u>-</u>

- 5.1 Awwal Modaraba (Rabb-ul-Maal) invested an amount of Rs. 200 million in the general pool created by related party (Pak Brunei Investment Company Limited) (Mudarib or Investment Manager) in accordance with the principles of Shariah. As per the terms of the agreement, this term deposit will mature on July 16, 2021 and the related party shall pay profit to the Modaraba on maturity with profit sharing ratio between Modaraba and related party of 72.22% and 27.78% respectively, and having profit rate of 6.5% and 2.5% respectively.

<b>6. RECEIVABLE AGAINST ADVISORY FEE</b>		<b>(Un-audited) March 31, 2021 Rupees</b>	<b>(Audited) June 30, 2020 Rupees</b>
	<b>Note</b>		
Receivable against advisory fee	6.1	53,929,084	41,697,463
Less: current portion of fee		<u>(52,649,064)</u>	<u>(34,904,238)</u>
		<u>1,280,020</u>	<u>6,793,225</u>

- 6.1 This represents advisory fee receivable from customers in connection with advisory services rendered by the Modaraba.

## **7. INVESTMENT AGAINST REPURCHASE AGREEMENT**

Investment against repurchase agreement - secured	7.1	-	48,878,899
Less: current portion of investment		<u>-</u>	<u>(48,878,899)</u>
		<u>-</u>	<u>-</u>

- 7.1 On January 16, 2018 the Modaraba entered into an agreement with a shareholder of Bunny's Limited for the purchase of 2,051,150 shares of the investee Company. Concurrently, the Modaraba entered into a separate agreement with another shareholder of the investee Company for the selling of underlying shares after a period of eighteen months from the date of purchase at an agreed price. The agreement was extended after the maturity of 18 months (July 19, 2019) for 12 months with effective from July 19, 2019 to July 19, 2020. The agreement was further extended after the maturity of 12 months (July 19, 2020) for next 9 months with maturity date of March 19, 2021. The underlying shares have been transferred in the name of the Modaraba. The facility arrangement was settled early on January 11, 2021.

## **8. MUSHARIKA FINANCE**

Musharika finance - secured	8.1	230,000,000	502,706,092
Less: current portion of Musharika Finance		<u>(230,000,000)</u>	<u>(452,380,207)</u>
		<u>-</u>	<u>50,325,885</u>

- 8.1 The Modaraba has provided Musharika Finance facilities to several customers for various purposes. The agreed share in the purchase of the assets between the Modaraba and the customers ranges from 5.71% to 74.36% ( June 30, 2020 : 74.4% to 99%) and 25.64% to 94.29% ( June 30, 2020: 1% to 25.6%) respectively. The customers have either transferred the titles of the assets in the name of the Modaraba or the assets are held in trust by Agent, being related party of the Modaraba, appointed in terms of Inter- Creditor and Security Sharing Arrangement Agreement (the agreement) for on behalf of the Modaraba to the extent of its interest defined in the said agreement. The Modaraba has also obtained various securities against these facilities including personal guarantees of sponsors / directors of customers, post dated cheques issued by customers and hypothecation of assets.

8.1.1 These facilities have various maturity dates up to November 15, 2021. These facilities carry profit ranging from 3 months KIBOR plus 1.5% to 3 months KIBOR plus 3.5%.

8.2 Contractual rentals receivable on Musharika Finance facilities:

	March 31, 2021 (Un-audited)				June 30, 2020 (Audited)			
	Due within one year	Due after one year but within five years	Due after five years	Total	Due within one year	Due after one year but within five years	Due after five years	Total
	(Rupees)							
Musharika Finance facilities:								
Principal repayments	230,000,000	-	-	230,000,000	452,380,207	50,325,885	-	502,706,092
Profit	6,176,205	-	-	6,176,205	31,085,468	3,626,926	-	34,712,394
	<u>236,176,205</u>	<u>-</u>	<u>-</u>	<u>236,176,205</u>	<u>483,465,675</u>	<u>53,952,811</u>	<u>-</u>	<u>537,418,486</u>

8.2.1 The above represents rentals receivable by the Modaraba in future periods in respect of Musharika Finance facilities given under long term arrangements.

	Note	(Un-audited) March 31, 2021 Rupees	(Audited) June 30, 2020 Rupees
<b>9. DIMINISHING MUSHARIKA FINANCE</b>			
Diminishing Musharika Finance - secured	9.1 and 9.2	300,000,000	300,000,000
Less: current portion of Diminishing Musharika Finance		(76,666,666)	(33,333,334)
		<u>223,333,334</u>	<u>266,666,666</u>

9.1 The Modaraba has provided Diminishing Musharika Finance Facility for the purpose of financing the construction of housing project. The facility is secured against various collaterals which mainly include transfer of personal properties of sponsors and / or their associates. Further this facility is secured with first pari passu hypothecation charge over the present and future fixed assets, including plant and machinery, land and building, present and future current assets of the housing project, lien on debt collection accounts of the customer and personal guarantees of the Sponsors.

9.2 This include Rs. 200 million outstanding for the purpose of balance sheet re-profiling. This facility is secured against various collaterals which include mortgage over personal properties of sponsors. Further, the facility is also secured with first pari passu hypothecation and mortgage charges over present and future fixed and current assets of the customer, pledge over sponsor shares, personal guarantees of sponsors, sponsor support and lien over collection account.

The above facilities have maturity dates upto April 20, 2026 and carry profit ranging from 3 months KIBOR plus 2.5% to 6 months KIBOR plus spread as per agreed terms.

9.3 Contractual rentals receivable on Diminishing Musharika Finance facilities:

9.3.1 This represents rentals receivable by the Modaraba in future periods in respect of Diminishing Musharika Finance facilities given under long term arrangements.

	March 31, 2021 (Un-audited)				June 30, 2020 (Audited)			
	Due within one year	Due after one year but within five years	Due after five years	Total	Due within one year	Due after one year but within five years	Due after five years	Total
(Rupees)								
Diminishing Musharika Finance facilities								
Principal repayments	76,666,666	206,666,672	16,666,662	300,000,000	33,333,334	233,333,336	33,333,330	300,000,000
Profit	44,086,793	146,924,655	9,512,185	200,523,633	40,416,210	164,684,581	22,368,916	227,469,707
	<u>120,753,459</u>	<u>353,591,327</u>	<u>26,178,847</u>	<u>500,523,633</u>	<u>73,749,544</u>	<u>398,017,917</u>	<u>55,702,246</u>	<u>527,469,707</u>

	(Un-audited) March 31, 2021 Rupees	(Audited) June 30, 2020 Rupees
<b>10. INTANGIBLE ASSET</b>		
<b>Cost</b>		
Opening balance	8,330,731	8,330,731
Additions	-	-
Disposal	-	-
	<u>8,330,731</u>	<u>8,330,731</u>
<b>Amortisation</b>		
Opening balance	4,524,572	1,769,539
Charge for the period / year	1,977,498	2,755,033
Disposal	-	-
	<u>6,502,070</u>	<u>4,524,572</u>
<b>Net book value</b>	<u>1,828,661</u>	<u>3,806,159</u>
<b>Annual rate of amortisation</b>	<u>33.33%</u>	<u>33.33%</u>

## 11. OPERATING FIXED ASSETS

	<b>Furniture and Fittings</b>	<b>Office equipment, computer and allied equipment</b>	<b>Motor vehicles</b>	<b>Total</b>
	----- (Rupees) -----			
<b>Cost</b>				
Opening balance as at July 01, 2019	73,725	2,578,430	1,613,740	4,265,895
Additions	-	-	-	-
Disposal	-	-	-	-
Balance as at June 30, 2020 - (Audited)	<u>73,725</u>	<u>2,578,430</u>	<u>1,613,740</u>	<u>4,265,895</u>
Opening balances July 1, 2020	73,725	2,578,430	1,613,740	4,265,895
Additions	-	-	-	-
Disposal	-	-	-	-
Closing balances as at March 31, 2020 - (Un-audited)	<u>73,725</u>	<u>2,578,430</u>	<u>1,613,740</u>	<u>4,265,895</u>
<b>Accumulated depreciation</b>				
Balance as at July 01, 2019	28,631	1,843,470	930,117	2,802,218
Charge for the year	14,748	626,382	363,084	1,004,214
Disposal	-	-	-	-
Balance as at June 30, 2020 - (Audited)	<u>43,379</u>	<u>2,469,852</u>	<u>1,293,201</u>	<u>3,806,432</u>
Balance as at July 01, 2020	43,379	2,469,852	1,293,201	3,806,432
Charge for the period	11,061	80,964	159,164	251,189
Disposal	-	-	-	-
Balance as at March 31, 2021 (Un-audited)	<u>54,440</u>	<u>2,550,816</u>	<u>1,452,365</u>	<u>4,057,621</u>
<b>Net book value as at March 31, 2021 - (Un-audited)</b>	<u>19,285</u>	<u>27,614</u>	<u>161,375</u>	<u>208,274</u>
<b>Net book value as at June 30, 2020 - (Audited)</b>	<u>30,346</u>	<u>108,578</u>	<u>320,539</u>	<u>459,463</u>
Annual Rates of depreciation	<u>20%</u>	<u>33% - 50%</u>	<u>25%</u>	

		(Un-audited) March 31, 2021 Rupees	(Audited) June 30, 2020 Rupees
<b>12. ACCRUED EXPENSES</b>	<b>Note</b>		
Audit remuneration payable		414,612	387,828
Bonus, leave fare allowance and other staff accrual		6,791,184	4,264,806
Sindh sales tax payable		1,951,062	679
Provision for Workers' Welfare Fund	12.1	7,699,321	7,002,641
Advances from customers	12.2	6,576,237	3,169,207
Payable to Shariah Advisor		300,000	-
Others		94,243	76,615
		<u>23,826,659</u>	<u>14,901,776</u>

- 12.1 The Sindh Workers' Welfare Fund Act, 2014 ('the Act') became effective from May 21, 2015 and is applicable on the Modaraba due to which Modaraba is liable to pay contribution to Workers' Welfare Fund (WWF) at prescribed rate applicable on the higher of profit before taxation as per the financial statements or taxable income as provided in its income tax return. However, the Modaraba has filed a petition challenging the vires of Section 5 of the Act in the Sindh High Court ('the Court'). Similar petitions have been filed by other Modarabas and obtained an interim injunction from the Court. An interim injunction has been granted by the Court and the matter is tagged with other similar petitions filed with the Court. In compliance of the order dated March 16, 2020, passed by the Honourable High Court of Sindh in SWWF petitions including our petition bearing number CP.D.3867/2017, the Modaraba has deposited in Sindh Workers' Welfare Fund (SWWF) amounting to Rs. 4.85 million in Sindh Workers' Welfare Fund (G-06313) for the years ending 2016 - 2019.
- 12.2 This represents advances from customers against the advisory services to be rendered by the Modaraba.

### 13. DEFERRED LIABILITY

Present value of defined benefit obligation	<u>-</u>	<u>7,280,767</u>
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#### 13.1 Defined benefit plan - gratuity

The Modaraba operates a funded scheme to provide gratuity to the permanent employees on retirement. The latest actuarial valuation of this scheme was carried out as at June 30, 2020 using the Projected Unit Credit Method by an independent actuary. Gratuity is payable to the employees in case of death, retirement or resignation, excluding dismissal due to disciplinary issues. Normal retirement age is 60 years. As at June 30, 2020, 4 employees were covered under the scheme.

Under the service rules, eligible employees are entitled to gratuity after five years of service and the amount depending on the number of years of service completed by them and at different entitlement rates (at basic salaries).

- 13.2 The weighted average duration period of the defined benefit obligation is 9.5 years.
- 13.3 Based on actuarial report, charge for the year ending June 30, 2021 amounts to Rs. 1.467 million.

#### 14. PAYABLE TO RELATED PARTIES

- 14.1 This includes payable to the Modaraba Management Company in respect of management remuneration. The Modaraba Management Company is entitled to a remuneration for services rendered to the Modaraba under provisions of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 up to a maximum of 10% per annum of the net annual profit of the Modaraba.

Management records accrual in respect of remuneration of the Management Company out of the net annual profit of the Modaraba on the basis of annual audited accounts. Therefore, no Management Company's remuneration has been accrued in these condensed interim financial statements.

- 14.2 The Sindh Revenue Board (SRB) has imposed Sindh Sales Tax (SST) on the Modaraba Management Company's remuneration with effect from November 01, 2011. However, certain Modaraba Management Companies have approached the Honourable Sindh High Court (the Court) and Appellate Tribunal of SRB, challenging the levy of SST on Management Company's remuneration. The Modaraba Management Company has not received any demand notice from SRB for payment of SST on Management Company's remuneration and accordingly, based on legal advisor's opinion, can neither file any petition challenging the levy of SST on Management Company's remuneration nor can join the proceedings of pending petition in the Court. As a matter of abundant caution, the Modaraba is accruing SST on Management Company's remuneration and will discharge the liability on direction of the court based on outcome of the petition filed by other Modaraba Management Companies.

#### 15. CERTIFICATE CAPITAL

##### Authorised certificate capital

March 31, 2021 (Un-audited)	June 30, 2020 (Audited)		March 31, 2021 (Un-audited)	June 30, 2020 (Audited)
Number of certificates				
100,000,000	100,000,000	Modaraba certificates of Rs. 10 each	1,000,000,000	1,000,000,000

##### Issued, subscribed and paid-up certificate capital

100,000,000	100,000,000	Modaraba certificates of Rs. 10 each fully paid in cash.	1,000,000,000	1,000,000,000
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- 15.1 As at March 31, 2021, the Management Company and Pak Brunei Investment Company Limited held 10 million (June 30, 2020: 10 million) and 89.780 million (June 30, 2020: 89.780 million) certificates of Rs. 10 each respectively.



## 16. STATUTORY RESERVE

Statutory reserves represent profits set aside by the Modaraba to comply with the Prudential Regulations issued by the Securities and Exchange Commission of Pakistan. These regulations require the Modaraba to transfer not less than 20% and not more than 50% of its after tax profit till such time that reserves equal 100% of the paid up capital. Thereafter, a sum not less than 5% of the after tax profit is to be transferred.

During the period, the Modaraba has transferred an amount of Rs. 6.83 million (June 30, 2020: Rs. 20.53 million) which represents 20% (June 30, 2020: 20%) of the profit after taxation for the period.

## 17. CONTINGENCIES AND COMMITMENTS

Details of contingencies regarding Services Sales Tax on Management Company's remuneration and Provision for Sindh Workers' Welfare Fund are disclosed in notes 14.2 and 12.1 . There are no other contingencies and commitments as at March 31, 2021.

## 18. INCOME FROM DIMINISHING MUSHARIKA FINANCE

	(Un-audited) March 31, 2021 Rupees	(Un-audited) March 31, 2020 Rupees
Income from Diminishing Musharika Finance	26,075,114	38,652,947
Less: Income suspended	(18,137,920)	-
	<u>7,937,194</u>	<u>38,652,947</u>

## 19. TAXATION

- 19.1 On March 22, 2021, the President of Pakistan promulgated the Tax Law (Second Amendment) Ordinance, 2021,(Ordinance 2021) whereby Clause 100 of the Part 1 of the Second Schedule to the Income Tax Ordinance, 2001 relating to the Tax Exemption available to the Modarabas stands withdrawn.

Tax Exemption has been available to the Modarabas under Section 37 of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, which is still operative and was specified under Clause 100 of Part 1 of the Second Schedule to the Income Tax Ordinance, 2001, which exemption has been removed by Ordinance 2021. It is believed that the Ordinance 2021 will be placed before the Assembly to be ratified through a Finance Act. It is a settled law that the taxes can only be levied from prospective effect and any retrospective applicability thereof is ultra-vires under the Constitution. Based on the legal and professional advice, the Management along with other Modarabas, have made representations to the appropriate authorities to remove intended withdrawal of tax exemption available to the Modarabas, particularly any retrospective effect of the Ordinance 2021.

Accordingly, no provision for Income Tax has been made in the quarterly accounts for the period ended July 1, 2020 to March 31, 2021.

## 20. EARNINGS PER CERTIFICATE - BASIC AND DILUTED

	For the Nine Months ended		For the Quarter ended	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
	(Un-audited)			
	(Rupees)			
<b>Basic</b>				
Profit for the period after taxation	34,137,267	95,933,339	7,009,418	26,727,513
	(Number)			
Weighted average number of certificates outstanding during the period	100,000,000	100,000,000	100,000,000	100,000,000
	(Rupee)			
Earnings per certificate	0.34	0.96	0.07	0.27

**Diluted**

Diluted earnings per certificate has not been presented as the Modaraba does not have any convertible instruments in issue as at reporting date which would have any effect on the earnings per certificate if the option to convert is exercised.

**21. CAPITAL MANAGEMENT**

The Modaraba's prime objective when managing capital is to safeguard the Modaraba's ability to continue as a going concern so that it can continue to provide optimum returns to its certificate holders' and benefits of other stake holders and to maintain a strong capital base to support the sustained development of its businesses.

The Modaraba manages its capital structure by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Modaraba may adjust the amount of profit paid to certificate holders or issue new certificates.

The Modaraba is not subject to externally imposed capital requirements.

**22. FAIR VALUE OF FINANCIAL INSTRUMENTS**

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.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair values of financial assets that are traded in active markets are based on quoted market prices. For all other financial instruments the Modaraba determine fair values using valuation techniques unless the fair value cannot be reliably measured.

For assets that are recognised in the financial statements at fair value on a recurring basis, the Modaraba recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. There were no transfers between different levels of fair values mentioned above.

The table below shows the carrying amounts and fair values of a financial asset and financial liability including their fair value hierarchy for financial instruments measured at fair value. It does not include the fair value information of financial assets and financial liabilities not measured at fair value if the carrying amount is reasonable approximation of fair value.

Carrying Amount			Total
As at March 31, 2021 (Un-audited)			
Fair value through other comprehensive income	Fair value through profit or loss	Amortized cost	

Rupees in '000

**Financial assets at amortized cost**

Bank balances	-	-	313,261,748	313,261,748
Modaraba Term Deposit	-	-	200,000,000	200,000,000
Accruals and other receivables	-	-	62,056,209	62,056,209
Receivable against advisory fee agreement	-	-	53,929,084	53,929,084
Musharika Finance	-	-	-	-
Diminishing Musharika Finance	-	-	230,000,000	230,000,000
Long term loans	-	-	300,000,000	300,000,000
Long term deposit	-	-	3,061,239	3,061,239
	-	-	75,000	75,000
	-	-	1,162,383,280	1,162,383,280

**Financial liabilities at amortized cost**

Accrued expenses	-	-	14,176,276	14,176,276
Payable to related parties	-	-	10,923,282	10,923,282
	-	-	25,099,558	25,099,558

Carrying Amount			Total
As at June 30, 2020 (audited)			
Fair value through other comprehensive income	Fair value through profit or loss	Amortized cost	

Rupees in '000

**Financial assets measured at amortized cost**

Bank balances	-	-	259,908,801	259,908,801
Modaraba Term Deposit	-	-	-	-
Accruals and other receivables	-	-	70,415,310	70,415,310
Receivable against advisory fee	-	-	41,697,463	41,697,463
Investment against repurchase agreement	-	-	-	-
Musharika Finance	-	-	48,878,899	48,878,899
Diminishing Musharika Finance	-	-	502,706,092	502,706,092
Long term loans	-	-	300,000,000	300,000,000
Long term deposit	-	-	4,559,727	4,559,727
	-	-	75,000	75,000
	-	-	1,228,241,292	1,228,241,292

**Financial assets measured at amortized cost**

Accrued expenses	-	-	7,898,456	7,898,456
Payable to related parties	-	-	21,851,692	21,851,692
	-	-	29,750,148	29,750,148

For financial assets and financial liabilities not measured at fair value, management consider that their carrying amounts approximate fair value because of their short term nature and credit quality of counterparties. For Investment against repurchase agreement, Musharika Finance and Diminishing Musharika Finance, management considers that their carrying amount approximate fair value as the transaction is entered in to at negotiated rate considering market prevailing rates and also assessing credit standings of counterparties.

## **23. RELATED PARTY TRANSACTIONS**

The related parties of the Modaraba comprise of the Management Company and its Holding Company, other associated companies, staff retirement funds, Directors and Key Management Personnel. Transactions with related parties are carried out at agreed rates.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Modaraba considers its Chief Financial Officer and business heads to be its key management personnel. There are no transactions with key management personnel other than their terms of employment / entitlement. Details of certificate holding of Holding Company, Management Company, Directors, Key Management Personnel and their family members are disclosed in pattern of certificate holding included in the annual report of the Modaraba.

Transactions and balances with related parties during the period other than those disclosed elsewhere in these condensed interim financial statements are given below:

23.1 Details of the transactions with related parties	(Un-audited) March 31, 2021 Rupees	(Un-audited) March 31, 2020 Rupees
<b>Pak Brunei Investment Company Limited</b> <b>- Holding Company of the Management Company</b>		
Modaraba Term Deposit	<u>200,000,000</u>	<u>-</u>
Profit earned from Modaraba Term Deposit during the period	<u>9,189,039</u>	<u>14,991,781</u>
Shared service expense	<u>7,134,327</u>	<u>7,134,327</u>
Other expenses	<u>359,619</u>	<u>374,549</u>
<b>Awwal Modaraba Management Limited</b> <b>- Management Company</b>		
Payment of Management Company's remuneration during the period	<u>11,808,475</u>	<u>12,813,549</u>
<b>Staff retirement benefits funds</b>		
Contribution to the staff provident fund	<u>885,797</u>	<u>946,968</u>
Contribution to the staff gratuity fund	<u>1,100,475</u>	<u>637,830</u>
23.2 Amounts outstanding as at period / year end	(Un-audited) March 31, 2021 Rupees	(Audited) June 30, 2020 Rupees
<b>Pak Brunei Investment Company Limited</b> <b>- Holding company of the Management company</b>		
Payable in respect shared services	<u>2,206,969</u>	<u>1,326,904</u>
Receivable in respect Diminishing Musharika	<u>11,870,234</u>	<u>-</u>
Modaraba Term Deposit	<u>200,000,000</u>	<u>-</u>
Receivable balance in respect of Modaraba Term Deposit - Profit Accrued	<u>9,189,039</u>	<u>-</u>

	(Un-audited) March 31, 2021 Rupees	(Audited) June 30, 2020 Rupees
<b>Awwal Modaraba Management Limited</b> <b>- Management Company</b>		
Payable balance against Management Company's remuneration - net	<u>8,716,313</u>	<u>20,524,788</u>
<b>Staff retirement benefits funds</b>		
Contribution payable to staff provident fund	<u>-</u>	<u>-</u>
Contribution payable to staff gratuity fund	<u>-</u>	<u>7,280,767</u>

## 24. CORRESPONDING FIGURES

Corresponding figures have been rearranged or reclassified wherever necessary for the purpose of comparison and better presentation.

There were no major reclassifications in these condensed interim financial statements in the current period.

## 25. DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue on April 29, 2021 by the Board of Directors of the Management Company.

## 26. GENERAL

26.1 Amounts have been presented and rounded off to the nearest Pak rupees unless otherwise stated.

26.2 On January 30, 2020, The International Health Regulations Emergency Committee of the World Health Organization declared the COVID-19 outbreak "Public Health Emergency of International Concern". Many countries including Pakistan have enacted protection measures against COVID-19, with a significant impact on economic activities in these countries. The evolution of COVID-19 as well as its impact on the global and the local economy is difficult to predict at this stage. As of the release date of these condensed interim financial statements, there has been no specifically material quantifiable impact of COVID-19 on the Modaraba's financial condition or results of operations.

**For Awwal Modaraba Management Limited**  
**(Management Company)**



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE OFFICER



DIRECTOR



DIRECTOR