

September 14th, 2021

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building,
Stock Exchange Road,
Karachi.

SUBJECT: DECLARATION OF RIGHT ISSUE

Dear Sir/Madam;

Please be informed that the Board of Directors, of the Modaraba Company, on behalf of **Modaraba Al-Mali**, in its meeting held on **September 13th, 2021**, has decided to increase the paid-up certificate capital of the Modaraba Ali-Mali by issue of **61,000,000** further modaraba certificates at par value (i.e. at Rs. 10/- each) by way of issuance of Right Modaraba Certificates to be offered to the members in proportion of approximately **331** Right certificates for every **100** modaraba certificates held i.e. **331%** Right Issue at par value of Rs. 10/- per modaraba certificate.

The share transfer books of the Modaraba will be announced later after approval from Registrar Modaraba to determine the entitlement of Right Certificates.

Please find enclosed the following details:

- **Annexure-A:** Statement pertaining to Quantum of Issue, Issue Size, Issue Price, Purpose of Issue, Utilization of Proceeds, Benefits of the Issue to the Modaraba and the Certificate-holders, Risk Factors, under Regulation 3 of the Companies (Further Issue of Shares) Regulation, 2020.
- **Annexure-B:** Certified true copy of the Extract of the Resolutions passed by the Board of Directors in their meeting held on **September 13, 2021**.
- **Annexure-C:** Business & Financial Plan of the Modaraba

You may accordingly inform the TREC Holders.

Yours truly,

Rashid

Rashid Matin Khan
Company Secretary
Assetplex Modaraba Management Limited
(Formerly BankIslami Modaraba Investments Limited)
(On behalf of **Modaraba Al-Mali**)



Enclosed as above

CC:

- a) The Registrar Modaraba**
Securities and Exchange Commission of Pakistan
Specialized Companies Division
Policy, Regulation and Development Department
(Modaraba Wing)
Islamabad
- b) The Commissioner**
Corporate Supervision Department
Securities and Exchange Commission of Pakistan
Islamabad
- c) The Director**
Surveillance Supervision Enforcement (SMD)
Securities and Exchange Commission of Pakistan
Islamabad

ANNEXURE A

Statement pertaining to Quantum of Issue, Issue Size, Issue Price, Purpose of Issue, Utilization of Proceeds, Benefits of the Issue to the Modaraba and the Certificate-holders, Risk Factors, under Regulation 3 of the Companies (Further Issue of Shares) Regulation, 2020.

Quantum of the Right Issue (i.e. as percentage of existing paid up capital)

The quantum of the Right Issue is approximately **331%** of the existing paid-up capital of the Modaraba i.e. approximately **331** right certificates for every **100** Modaraba certificates held by the certificate-holders of the Modaraba.

Right Issue Size

The Modaraba shall issue **61,000,000** (Sixty-One Million) modaraba certificates, at a price of PKRs. 10/- per modaraba certificate, aggregating to PKRs. **610,000,000** (Pak Rupees Six Hundred & Ten Million only).

Right Issue Price

PKRs. 10/- per modaraba certificate i.e. at par value

Purpose of the Issue

The purpose of the Issue:

- Investment in Chemical Business;
- Setting up of IPO Support Fund;
- Underwriting and Business Revival activities; and
- Working Capital requirement including settlement of liabilities and meeting issue related expenses;

The difference will be made up from bank borrowings/internal generation if total funds requirements exceed **Rs. 610.00million**.

Business & Financial Plan is attached herewith as Annexure - C

Utilization of Proceeds of the Right issue and Benefits to the Company and its Certificate-holders

The funds generated from the further issue of capital will be utilized as aforementioned and Management of the Modaraba believes that such mode of financing/investment plans will contribute not only towards increased profitability but also into increased value for the Modaraba certificate-holders.

Utilization of Proceeds:

Chemical Business	PKRs. 500,000,000
IPO Support Fund	PKRs. 100,000,000
Underwriting and Business Revival activities	PKRs. 100,000,000
Working Capital/Internal Generation	(PKRs. 90,000,000)

Risk Factors associated with the Right issue

The Right Issue would be completely underwritten as per requirements of the applicable regulations. Besides, the right offer has been made at the par price which is about 150% lower than the ongoing market price of the Modaraba certificates. Due to these factors, there appears to be somewhat minimal investment risk associated with the Right Issue. Other specific business risks are covered in the draft Notice, which may further be expanded and disclosed, as and when deemed appropriate by the Board, the certificate-holders or the regulator.

ANNEXURE B

Extract of the Resolutions passed by the Board of Directors of the Company

“RESOLVED THAT the ordinary paid-up certificate capital of the Modaraba be and is hereby increased from **PKRs. 184,239,450/-** (Pak Rupees One Hundred Eighty-Four Million Two Hundred Thirty-Nine Thousand Four Hundred and Fifty only) to **PKRs. 794,239,450/-** (Pak Rupees Seven Hundred Ninety-Four Million Two Hundred and Thirty-Nine Thousand Four Hundred and Fifty Only) by issue of further **61,000,000** (Sixty One Million) modaraba certificates of the Modaraba of Pak Rs. 10/- (Pak Rupees Ten only) per modaraba certificate, to be offered to the Certificate-holders of the Company in proportion to the number of certificates held by each Certificate-holder (i.e. as a right entitlement) in accordance with the provisions of Section 83 of the Companies Act, 2017 and all applicable laws, at a price of PKRs. 10/- (Pak Rupees Ten only) per modaraba certificate (i.e. at par value), in the ratio of approximately **331** right modaraba certificates for every **100** existing modaraba certificates of PKRs. 10/- each (i.e. **331%**), against payment to the Modaraba of the price of the certificates subscribed, which certificates shall rank *pari passu* in all respects with the existing modaraba certificates of the Modaraba (the “Right Issue”).

FURTHER RESOLVED THAT the approval be and is hereby accorded to approve **Annexure-A** for the quantum, size, and purpose of the Right Issue, along with the utilization of proceeds, benefits of the same to the Modaraba and the Certificate-holders of the Modaraba and risk factors associated with the Right issue in accordance with the Regulations 3(I)(iii) of the Companies (Further Issue of Shares) Regulations, 2020

FURTHER RESOLVED THAT the letter of offer may be issued/signed by the Chief Executive and Company Secretary in compliance with the applicable laws.

FURTHER RESOLVED THAT the draft of the circular to accompany the letter of offer, pursuant to Section 83(3) of the Companies Act, 2017, as placed before the directors be and is hereby approved and Chief Executive and Company Secretary be and is hereby authorized singly to finalize and sign the circular on behalf of all the directors.

FURTHER RESOLVED THAT all fractional entitlements will be consolidated in the name of the Company Secretary (under trust) and unpaid letter of right in respect thereof shall be sold on Pakistan Stock Exchange Limited, the net proceeds from which sales, once realized, shall be distributed/ paid to the entitled Certificate-holders in accordance with their respective entitlements as per applicable laws.

FURTHER RESOLVED THAT that any unsubscribed certificates may be offered and allotted to such persons and in manner as the directors may deem fit in accordance with the Section

83(1)(a)(iv) of the Companies Act, 2017, including the sponsors, directors or associated undertaking of the Modaraba or any third party before calling upon the underwriters to subscribe to any unsubscribed modaraba certificates.

FURTHER RESOLVED THAT the Company be and is hereby authorized to close its share transfer books **October 15, 2021 to October 22, 2021** (both days inclusive) to determine the entitlements of the Certificate-holders of the Company with respect to the Right Issue.

FURTHER RESOLVED THAT the Chief Executive and the Company Secretary be and are hereby singly authorized to do the following acts on behalf of the Company:

- i. Appoint/negotiate with consultants/advisors/ auditors and underwriters to the Right Issue, to finalize terms and conditions and sign underwriting agreements, other documents and settle/ finalize fees, underwriting commission, take-up commission and third party expenses and/or any other expenses relating to the Right issue;
- ii. To prepare the schedule for the issue of right certificates including date of payment, and to make any amendments in the said schedule, appointment of banker(s) to the issue, announce the book closure dates, and to take all necessary actions, in respect of the Right issue and ancillary matters thereto, and as required by the Securities and Exchange Commission of Pakistan, Pakistan Stock Exchange Limited, Central Depository Company of Pakistan Limited (CDC), including but not limited to induction of the offer for right certificates in the Central Depository System of the CDC or any other authority;
- iii. To open, maintain, operate and close bank accounts for the purpose of amounts received from subscription of modaraba certificates;
- iv. To make necessary corrections, amendments and file necessary documents in case of any mistake or omission is pointed out by any regulatory authorities;
- v. To allot /credit right certificates and file return as required by the Securities and Exchange Commission of Pakistan, Pakistan Stock Exchange Limited, Central Depository Company of Pakistan Limited (CDC) along with the auditors' certificates; and
- vi. To take all other necessary steps, and do all other acts, deeds and things, to prepare the offer letter, circular and schedule for right issue and any other documents and to make any amendments in the aforementioned documents and schedule and to take all necessary actions as may be required in this regard including execution of any documents and agreements or any ancillary or incidental actions to give effect to the above resolutions."

Certified that the above mentioned is as true and valid extract from the meeting of the Board of Directors of Modaraba Al-Mali

Signed by:

Name of Director	Designation	Signature
Mr. Abdul Qadir Memon	Chairman/Director	--sd--
Mr. Aftab Ahmad Chaudhry	Chief Executive / Director	--sd--
Mr. Amir Zia	Director	--sd--
Ms. Huma Ejaz	Director	--sd--
Mr. Hussain Ahmed Ozgen	Director	--sd--
Mr. Atique Ahmad Khan	Director	--sd--
Mr. Usman Hassan	Director	--sd--

ANNEXURE C

BUSINESS & FINANCIAL PLAN

Modaraba Al-Mali

Managed by Assetplex Modaraba Investment Limited
 (Formerly BankIslami Modaraba Investment Limited)

Situation Analysis

Modaraba Al-Mali (the Modaraba) a multipurpose and perpetual Modaraba floated in Pakistan on July 8, 1987 under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 (Modaraba Ordinance 1980), and Modaraba Companies and Modaraba Rules, 1981 and is managed by Assetplex Modaraba Investment Limited (formerly BankIslami Modaraba Investments Limited). The Modaraba is listed on Pakistan Stock Exchange Limited (PSX) and the registered office of the Modaraba is at 10th Floor, Progressive Square Opp: Nursery, Shahrah-e-Faisal Karachi.

Balance sheet as on March 31, 2021 depicts the following financial position

Modaraba Al-Mali

Managed by : **Assetplex Modaraba Management Limited**

Statement of Financial Position as on March 31, 2021

	Rs.		Rs.
Cash and bank balances	77,443,771	Current Liabilities	18,638,586
Tax refunds due from government	26,950,312	Non-Current Liabilities	100,000
Other Current Assets	16,588,669		
Current Assets	120,982,752	Total Liabilities	18,738,586
Investment property - at fair value	72,090,040	Issued, subscribed and paid-up certificate capital	184,239,450
Property and equipment	68,409,754	Reserves	133,929,055
Other Assets	875,785	Accumulated loss	(74,548,760)
Non-Current Assets	141,375,579	Equity	243,619,745
Total Assets	262,358,331	Total Liabilities and Equity	262,358,331

Analysis

Current Ratio	6.49
Debt / Equity Ratio	0.08
Book Value - Rs. / Share	13.22

Modaraba Certificates Capital position as on March 31, 2021 is as follows:

	Modaraba Certificates Nos.	Par Value Rs./Certificate	Modaraba Certificate Rs.
Authorized Capital	80,000,000	10.00	800,000,000
Issued, subscribed and paid-up capital	18,423,945	10.00	184,239,450
Pattern of Shareholding			
With Public			16,081,355
Modaraba Company			2,342,590

Modaraba is currently engaged in the business of Leasing/Ijarah, Murabaha, Musharaka Financing and operations of gas stations. Management of the Modaraba has decided to change the business of the Modaraba as follows:

Existing Businesses:

1. Discontinuance of lending business (in Ijarah, Murabah, Musharak and any other mode of Financing). Efforts will be made for the recovery of the outstanding balances;
2. Disposal of property/business of Gas Station;
3. Disposal of leasehold offices/premises in Karachi;

New Businesses:

1. Launching IPO Support Fund;
2. Re-focusing the business of Modaraba to Venture Capital;
3. Underwriting and Business Revival Activities;
4. Strategic Equity Investments in Financial Services entity;
5. Investment in Chemical Business;

SWOT analysis of the Modaraba is presented below:

SWOT Analysis
<p>Strength</p> <ul style="list-style-type: none"> • Listed Modaraba having share price above par value (e.g. Rs. 23.91 as on September 07, 2021). • Widely spread free float of the Modaraba certificates. • Strong asset base with low levels of total liabilities. • New management with diversified experience and requisite dynamism. • Shariah compliant and thus may give good investment opportunity to Islamic funds/investors.
<p>Weaknesses</p> <ul style="list-style-type: none"> • Modaraba was engaged in lending business and incurred bad debts and losses; • Gas Station is not generating required earnings. • Assets are not generating desired returns and hence low return on equity. • Entrepreneurial zeal was missing.
<p>Opportunities</p> <ul style="list-style-type: none"> • Capital market can act a catalyst to growth of the Modaraba. Despite its “shallow” status in the past, Modaraba has fund raising power to harness its future diversification plan, if any. • Possibility to have joint venture with renowned group to go for revival of the Modaraba and to create entrepreneurial interest. • Modaraba is multipurpose for indefinite period can revamp and reposition itself into emerging fields and can create value to the certificate-holders.

- Modaraba has wide range of “approved” permissible businesses in its Prospectus and may enter into real estate, manufacturing, financial restructuring, underwriting, venture capital etc. thus diversified portfolio can be built within single umbrella to reduce the business risk.

Threats

- Intended new ventures carry their respective specific as well market risks.
- Modaraba may need to enter into joint venture/ collaboration to carry out its intended plans but requisite JV(s) be difficult to materialized or unable to raise requisite funds.
- Intended business ventures are not materialized.

Strategy & Expected Outcome

Modaraba is repositioning itself into manufacturing (chemical business), services (underwriting, financial consultancy, and financial services), venture capital and technology businesses. These investment will either be taken directly in the Modaraba or as a strategic equity investments in other legal entities, provided they are Shariah compliant. Modaraba shall also seek collaboration and technical partners, if required, to implement its repositioning/diversification stratagem.

Sources of funds will be through Right Issues and internal funds generation (including bank borrowings, if required).

Chemical Business:

Modaraba is planning to set-up **Sulphate of Potash (SOP) Plant** in Allama Iqbal Industrial City, Faisalabad. Modaraba will establish manufacturing facilities in Allama Iqbal, Industrial City, Faisalabad and will carry out sales, marketing activities in Pakistan.

Summary of the Project

Implementing Entity

Project title

Modaraba Al-Mali

Manufacturing, sales, marketing of Potassium Sulphate along with Hydrochloric Acid (as a by-product) in Pakistan (“the Chemical Business”)

Duration

12~15 calendar months

Total Project Size

PKRs. **1.25 billion to be implemented in two phases**

Overall goal

Manufacturing plant of the **Potassium Sulphate (and Hydrochloric Acid)** in Pakistan with selling and distribution initially in Pakistan and gradually expanded to rest of the world.

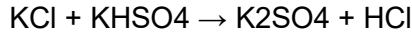
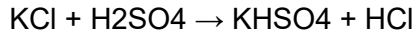
Project sustainable output

Manufacturing of “**Potassium Sulphate (and hydrochloric Acid)**” means:

Potassium sulfate (US) or potassium sulphate (UK), also called sulphate of potash (SOP), arcanite, or archaically potash of sulfur, is the inorganic compound with formula K_2SO_4 , a white water-soluble solid. It is commonly used in fertilizers, providing both potassium and sulfur.

The process implemented in this plant, the KCl (MOP, Potassium Chloride) reacts with Sulfuric Acid to yield K_2SO_4 (SOP) and HCl (Hydrochloric Acid) as a by-product.
 $2 KCl + H_2SO_4 \rightarrow K_2SO_4 + 2 HCl$

The reaction of Sulfuric Acid with Potassium Chloride takes places in two stages :



The first reaction step is exothermic and proceeds at relatively low temperature. The second is endothermic and must be carried out at higher temperature.

Hydrochloric Acid (HCL) is the by-product. Potassium Sulfate leaves the reaction chamber at this point and is neutralized and cooled. Hydrogen Chloride gas formed is absorbed in water to form Hydrochloric Acid or used in gaseous form.

Applications

Potassium Sulphate

The dominant use of potassium sulfate is as a fertilizer. K₂SO₄ does not contain chloride, which can be harmful to some crops. Potassium sulfate is preferred for these crops, which include tobacco and some fruits and vegetables. Crops that are less sensitive may still require potassium sulfate for optimal growth if the soil accumulates chloride from irrigation water

Hydrochloric acid is a strong inorganic acid that is used in many industrial processes such as refining metal including pickling of steel, dissolving many metals. Other uses include pH control and neutralization, Regeneration of ion exchangers, laboratory uses etc.

Sources and Requirements

Input

Currently, most of the requirement is being met through imports in Pakistan. There is only one manufacturer with 10k~12k tonnes of capacity. China is the major source of import. Raw material includes potassium chloride (KCL), Sulfuric Acid (H₂SO₄), Calcium Carbonate (CaCO₃), fuel oil, natural gas, cooling water etc. Most of the raw material is locally available. However, Potassium chloride is imported mainly from Belarus, Russia, Jordan.

Initial Funds Requirement and subsequent Fund Raising

Initially funds are required to acquire 10 acre of land in Allama Iqbal Industrial City, Faisalabad, initial approvals, layouts etc. Rs. 400.00 million is allocated in the first phase and Rs. 850.00 million in for the second phase. Project will be financed through equity. However, working capital requirements will be met through Shariah compliant bank borrowings.

Plant & Machinery

Most of the Plant and Machinery will be imported from China.

Licensing Requirement

Various licenses are required from the Federal & Provincial Departments, such as Department of Explosives, Industries, Environment, Labor etc., which will be duly taken.

Risk Factors

1. Chemical Business requires Licenses from Multiple agencies which may take time or not granted.
2. Plant & Machinery for the Chemical Business is to be imported from China and a delay in shipment or erection of plant may impact the timelines.
3. Most of the Businesses including Chemical Business are of Greenfield nature, involving many complexities, which may again delay the project.
4. Sulphate of Potash (SOP) is mainly imported and there is only one manufacturer in Pakistan. Thus, after the establishment of the Plant, Company will have to mainly compete with the imported sources resulting in price competition
5. The economic and market condition may not be conducive at the time when the business activities begin.
6. Risk of under-subscription of this right issue.

Risk factors and Mitigation Measures are given in Schedule I to the Companies (Further Issue of Shares) Regulations, 2020 that is being sent to the members along with the letter of offer for right issue by a Modaraba.

Projected Financial Statement – Chemical Business – Potassium Sulphate and Hydrochloric Acid Profit & Loss Account

	Rs. in 000	Year - 1	Year - 2	Year - 3	Year - 4	Year - 5
Sales		3,660,000	4,428,600	5,402,529	6,659,829	8,341,708
Material Costs		(1,950,075)	(2,359,591)	(2,855,105)	(3,454,677)	(4,180,159)
Other Material	10%	(366,000)	(442,860)	(540,253)	(665,983)	(834,171)
Utilities		(78,320)	(80,320)	(82,520)	(84,940)	(91,899)
Salaries		(180,000)	(217,800)	(261,360)	(311,454)	(368,953)
Transportation		(225,000)	(272,250)	(329,423)	(398,601)	(482,307)
Others	10%	(366,000)	(442,860)	(540,253)	(665,983)	(834,171)
Depreciation		(116,500)	(112,825)	(115,054)	(122,471)	(134,461)
Financial Charges		(72,000)	(64,800)	(58,320)	(52,488)	(47,239)
Taxation		-	-	-	-	-
Net Profit		306,105	435,294	620,242	903,233	1,368,348
Material Costs		63%	63%	63%	62%	60%
Utilities		2%	2%	2%	1%	1%
Others		26%	25%	24%	23%	22%

Statement of Financial Position

Balance Sheet

	Rs. in 000	Year - 1	Year - 2	Year - 3	Year - 4	Year - 5
Fixed Assets		1,133,500	1,120,675	1,155,621	1,233,150	1,348,689
		1,133,500	1,120,675	1,155,621	1,233,150	1,348,689
Current Assets						
Debtors		601,644	727,989	888,087	1,094,766	1,371,240
Stock in Trade		480,840	581,817	703,998	851,838	1,030,724
Stores & Spares		30,082	36,399	44,404	54,738	68,562
Advances, Prepayments		60,000	66,000	72,600	79,860	87,846
Cash & Bank		280,401	452,857	722,401	1,175,645	1,971,741
		1,452,967	1,865,063	2,431,491	3,256,848	4,530,113
Total Assets		2,586,467	2,985,738	3,587,112	4,489,998	5,878,802
Current Liabilities						
Trade Creditors		190,362	230,338	279,070	338,684	412,137
Other Liabilities		40,000	44,000	48,400	53,240	58,564
Bank Borrowings		800,000	720,000	648,000	583,200	524,880
		1,030,362	994,338	975,470	975,124	995,581
Share Capital		1,250,000	1,250,000	1,250,000	1,250,000	1,250,000
Share Premium		-	-	-	-	-
Retained Earnings		306,105	741,399	1,361,641	2,264,874	3,633,222
		1,556,105	1,991,399	2,611,641	3,514,874	4,883,222
Total Liabilities & Equity		2,586,467	2,985,738	3,587,112	4,489,998	5,878,802

Financial Outcome

Growth Rate	10.00%
Discount Rate	21.46%
Dividend Payout	50.00%
Dividend Per Certificate	2.91
Fair Value of Certificate	25.36

IPO Support Fund/ Underwriting and Consultancy Services:

Modaraba is setting IPO Support Fund to support IPO activities in the Country. Most of the companies with good balance sheet are reluctant to come to Stock Exchange because of initial listing charges that these companies have to borne before getting any IPO fund in their account. There is fear and lack of trust (on conventional consultants) these companies have to lose the listing charges. After having due diligence of these potential listed companies, Modaraba will provide Consultant to the Issue and Underwriting Services on deferral payment basis (i.e. payment of the required listing charges, excluding statutory fees of SECP, PSX, CDC, stamp duties etc. will be made after IPO proceeds comes in the Company's account. Moreover, if the aforementioned services are offered in collaboration with other Consultants to the Issue and Underwriters, Modaraba will pay their required charges. Modaraba will charge additional fee (along with conventional consultancy charges and underwriting fee) for "pay-after" services.

Underwriting and Business Revival Activities:

Modaraba is planning to initiate underwriting activities subject to approval from the Securities and Exchange Commission of Pakistan, Islamabad. Moreover, Modaraba will also consultancy services related to revival of the shell companies, reverse mergers, financial restructuring etc. Modaraba may invest in the shell companies, if required, to revive the same. Modaraba shall take the requisite approvals and licenses from the competent authorities (wherever required).

Right Issue and Fund Raising

1. Modaraba will raise funds through right issue as follows:

Certificates Outstanding	Nos.	15,754,800
Right Issue	%	331%
Right Price	Rs./Share	10.00
Shares to be Issue against Right	Nos.	61,000,000
Right Proceeds	Rs.	610,000,000

2. Utilization of Proceeds will be as follows:

Utilization of Proceeds

Chemical Business	Rs.	500,000,000
IPO Support Fund	Rs.	100,000,000
Underwriting and Business Revival Activities	Rs.	100,000,000
Working Capital/ Internal Generation	Rs.	(90,000,000)
		<hr/> 610,000,000

Critical factors

1. Allama Iqbal Industrial Estate, Faisalabad comes under clause 126E of the Second Schedule of the Income Tax Ordinance, 2001, thus it enjoys tax exemption for 10years.
2. Demand of the Chemical Business (and Financial Consultancy Business) is derived demand stemming from industrial and economic growth of the Country. Thus, economic growth rate is crucial to the success the intended businesses.
3. Modaraba may need to enter into joint venture/ collaboration to carry out its intended plans but requisite JV(s) be difficult to materialized or unable to raise requisite funds.

Consolidated Projected Financial Statements Modaraba Al-Mali

Modaraba Al-Mali Projected Profit & Loss Account

		<u>30/Jun/22</u>	<u>30/Jun/23</u>	<u>30/Jun/24</u>	<u>30/Jun/25</u>	<u>30/Jun/26</u>
		Rs. in 000	Rs. in 000	Rs. in 000	Rs. in 000	Rs. in 000
Operating Income		10,000	8,000	6,400	5,120	4,096
Commission & Fees		30,000	60,000	90,000	135,000	202,500
Income from Investment		27,000	29,400	32,280	35,736	39,883
Income from Potassium Sulphate		-	-	306,105	435,294	620,242
Income from Investment in Shares/ Venture Capital		14,000	16,800	20,160	24,192	29,030
Gain on Disposal of Assets		146,157				
Gain on Disposal of Shares		18,084				
Issue Expenses		(21,350)	(26,250)			
Administrative and Operating Expenses		(50,000)	(60,000)	(75,000)	(93,750)	(117,188)
Financial Charges		-	-	-	-	-
Taxation		(54,742)	(6,988)	(18,460)	(26,575)	(39,581)
		<hr/>				
		119,149	20,963	361,485	515,018	738,984
		-				
Transfer to Statutory Reserve	10%	(11,915)	(2,096)	(36,149)	(51,502)	(73,898)
Retained Earnings b/f		(72,589)	34,645	53,511	378,848	842,364
Retained Earnings c/f		34,645	53,511	378,848	842,364	1,507,449
		-				
Analyses		<u>30/Jun/22</u>	<u>30/Jun/23</u>	<u>30/Jun/24</u>	<u>30/Jun/25</u>	<u>30/Jun/26</u>
EPS	Rs. /Certificate	1.50	0.14	2.34	3.34	4.79
Book Value	Rs. /Certificate	11.43	10.87	13.21	16.55	21.34
Current Ratio	Times	3.86	2.42	2.29	2.48	3.01
Debt-Equity Ratio	Times	0.02	0.01	0.02	0.02	0.02

Modaraba Al-Mali

Projected - Statement of Financial Position

	30/Jun/22	30/Jun/23	30/Jun/24	30/Jun/25	30/Jun/26
	Rs. in 000	Rs. in 000	Rs. in 000	Rs. in 000	Rs. in 000
Current assets					
Cash and bank balances	56,345	38,727	48,354	73,884	128,519
Advances, Prepayment & Others	18,348	22,017	26,421	31,705	38,046
	74,693	60,744	74,775	105,589	166,565
Non-current assets					
Investment in Shares/ Venture Capital	100,000	120,000	144,000	172,800	207,360
Investment in Project - net assets					
- Chemical Business	500,000	1,250,000	1,556,105	1,991,399	2,611,641
Long Term Investment	250,000	270,000	294,000	322,800	357,360
Others	2,858	3,573	4,466	5,583	6,979
	852,858	1,643,573	1,998,571	2,492,582	3,183,340
Total Assets	927,551	1,704,317	2,073,346	2,598,172	3,349,905
Current liabilities					
Creditors, accrued and other liabilities	5,781	7,516	9,770	12,701	16,512
Other Current Liabilities	13,563	17,632	22,922	29,798	38,738
Bank Borrowings	-	-	-	-	-
	19,344	25,148	32,692	42,499	55,249
Net Assets	908,207	1,679,169	2,040,654	2,555,672	3,294,656
Represented by :					
Issued, subscribed and paid-up certificate capital	794,239	1,544,239	1,544,239	1,544,239	1,544,239
Premium on issue of certificates	511	511	511	511	511
Surplus on revaluation of investment property	-	-	-	-	-
Statutory reserve	78,811	80,907	117,056	168,557	242,456
Retained Earnings	34,645	53,511	378,848	842,364	1,507,449
	908,207	1,679,169	2,040,654	2,555,672	3,294,656

Disclaimer:

The success of any investment depends on many factors some of which are under the control of the Modaraba but many of which rely on the markets and general business environment. Management of the Modaraba has made these projection on the best estimate basis. However, actual results and outcome may be different due to changed market and business environment and factors that are beyond of management's control and anticipation.