



Trust Modaraba

Managed By:

Al-Zāmin Modaraba Management (Private) Limited.

QUARTERLY REPORT

September 30, 2025



www.trustmodaraba.com

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CORPORATE INFORMATION

MODARABA COMPANY

AL-ZAMIN MODARABA MANAGEMENT (PRIVATE) LIMITED

BOARD OF DIRECTORS

Mr. Mian Sheikh Arshad Farooq	Chairman
Mr. Basheer Ahmed Chowdry	Chief Executive
Dr. Mrs. Namooos Baquar	Non Executive Director
Mr. Syed Etrat Hussain Rizvi	Independent Director
Mr. Muhammad Yasin	Independent Director
Mr. Muhammad Sami Ullah	Independent Director
Mr. Imran Iqbal	Independent Director

MANAGEMENT

Mr. Basheer Ahmed Chowdry	Chief Executive
Ms. Hamida Aqeel	Chief Operating Officer/Company Secretary

AUDIT COMMITTEE

Mr. Syed Etrat Hussain Rizvi	Chairman
Mr. Imran Iqbal	Member
Mr. Muhammad Yasin	Member
Mr. Muhammad Sami Ullah	Member
Ms. Hamida Aqeel	Chief Operating Officer

HUMAN RESOURCE COMMITTEE

Mr. Muhammad Yasin	Chairman
Mr. Muhammad Sami Ullah	Member
Mr. Basheer Ahmed Chowdry	Member
Dr. Mrs. Namooos Baquar	Member
Ms. Hamida Aqeel	Chief Operating Officer

INTERNAL AUDITORS

Bilal & Co.
Chartered Accountants

AUDITORS OF THE MODARABA

Grant Thornton Anjum Rahman
Chartered Accountants

BANKER

Meezan Bank Limited

LEGAL ADVISORS

Holscott International
S&B Durrani Law Associates

REGISTERED OFFICE/PRINCIPAL PLACE OF BUSINESS

104-106, Kassam Court, BC-9, Block-5, Clifton, Karachi-75600
Telephone: 021-35876651, 35876652, 35873373, 35873369, 35867102
Fax: 021-35870408 Web: trustmodaraba.com
Email: info@trustmodaraba.com

REGIONAL OFFICE

320, 3rd Floor, Garden Heights, 8-Aibak Block, New Garden Town, Lahore
Telephone: 042-35941957-8 Fax: 042 35866513

REGISTRARS

Hameed Majeed Associates (Private) Limited
1st Floor, H.M. House, 7-Bank Square, Lahore Telephone: 042- 37235081-2 Fax: 042-37358817

DIRECTORS' REPORT

The Board of Directors of Al-Zamin Modaraba Management (Private) Limited, the management company of Trust Modaraba is pleased to present the unaudited financial statements of Trust Modaraba for the quarter ended on 30th September 2025.

ECONOMIC REVIEW

Pakistan's economy showed signs of stabilization and growth during the first quarter ended on 30th September 2025 with moderating inflation, increasing remittances and a primary surplus. The rebound in large-scale manufacturing sector, supported by encouraging trends in cement dispatches, automobile production, and allied industries indicates strengthening industrial momentum in the months ahead. The external sector is expected to remain stable with the current account deficit projected to stay manageable despite higher import demand. Monetary conditions remained stable and the stock market maintained its bullish momentum reflecting investors' confidence. Remittances continue to provide strong support, exports are showing early signs of recovery and declining global commodity prices may help ease the import bill.

Severe monsoon floods wrecked havoc in the country impacting the agriculture sector substantially. Flood-related disruptions may exert pressure on food supply chains, leading to an uptick in prices. As a result, inflation may rise temporarily but is expected to remain contained in the period ahead. Although flood induced disruptions pose temporary risks to growth targets, the overall macro economic indicators signal a stable outlook moving ahead.

PERFORMANCE REVIEW

It is encouraging to report that your Modaraba continued to depict satisfactory operating performance as is evident from the financial results achieved during the period under consideration. Income from core business operations comprising of diminishing musharakah, ijarah and murabahah transactions amounted to Rs.14.6 million as compared to Rs.16.4 million of the previous comparable period. The primary reason for this decline is attributed to substantial decrease in the policy rates by almost 11% since June, 2024, thereby reducing spread on financing portfolio. Pakistan Stock Exchange maintained its bullish momentum and the trading opportunity was prudently capitalized resulting in capital gain of Rs.1.8 million during the quarter ended on 30th September, 2025. Total revenue including other income and unrealized gain on revaluation of equity portfolio stood at Rs.17.9 million as compared to Rs.19.4 million of the previous comparable quarter. Operating expenses during the period under consideration increased by 7.7% over the previous comparable quarter. Profit before tax and management fee stood at Rs.6.14 million with an after tax profit of Rs.3.8 million achieved during the quarter ended on 30th September, 2025, The asset base of your Modaraba stood at Rs.403 million with an equity base of Rs.353 million.

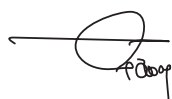
Disbursements during the period under consideration amounted to Rs.33 million to clients having sound repayment capacity and strong financial position. Predominant mode of financing remained diminishing musharakah mainly for vehicle financing. As a result of substantial improvement in the risk profile of the Modaraba, no fresh provision was required to be made against the financing portfolio.

EARNINGS PER CERTIFICATE

Earnings per certificate of your Modaraba works out to Rs.0.13 for the period ended on 30th September, 2025.

The financial year has commenced on a positive note for your Modaraba. The management is committed to make every effort to achieve further progress and growth in the operations and profitability of the Modaraba based on sound and sustainable business operations.

For and on behalf of Trust Modaraba



Director



Chief Executive

23rd October, 2025

ڈائریکٹرز کی رپورٹ

الضامن مضاربہ مینجمنٹ (پرائیویٹ) لمیٹڈ کے بورڈ آف ڈائریکٹرز، ٹرسٹ مضاربہ کی انتظامی کمپنی 30 ستمبر 2025 کو ختم ہونے والی سہ ماہی کے لئے ٹرسٹ مضاربہ کے غیر آڈٹ شدہ مالی بیانات پیش کرنے پر خوش ہے۔

اقتصادی جائزہ

پاکستان کی معیشت نے 30 ستمبر 2025 کو ختم ہونے والی پہلی سہ ماہی کے دوران اعتدال پسند افراط زر، ترسیلات زر میں اضافے اور بنیادی سرپلس کے ساتھ استحکام اور نمو کے آثار دکھائے۔ سیمنٹ کی ترسیل، آٹوموبائل کی پیداوار، اور متعلقہ صنعتوں میں حوصلہ افزا رجحانات کی مدد سے بڑے پیمانے پر مینوفیکچرنگ کے شعبے میں بہتری آنے والے مہینوں میں صنعتی رفتار کو مضبوط بنانے کی نشاندہی کرتی ہے۔ درآمدات کی زیادہ مانگ کے باوجود کرنٹ اکاؤنٹ خسارے کے قابل انتظام رہنے کی پیش گوئی کے ساتھ بیرونی شعبے کے مستحکم رہنے کی توقع ہے۔ مالیاتی حالات مستحکم رہے اور اسٹاک مارکیٹ نے سرمایہ کاروں کے اعتماد کی عکاسی کرتے ہوئے اپنی تیزی برقرار رکھی۔ ترسیلات زر مضبوط مدد فراہم کرتی رہتی ہیں، برآمدات بحالی کے ابتدائی اشارے دکھا رہی ہیں اور عالمی اجناس کی قیمتوں میں کمی سے درآمدی بل کو کم کرنے میں مدد مل سکتی ہے۔

ملک میں مون سون کے شدید سیلاب نے زراعت کے شعبے کو کافی حد تک متاثر کیا۔ بہر حال، سیلاب سے متعلق رکاوٹیں کھانے کی فراہمی کی زنجیروں پر دباؤ ڈال سکتی ہیں، جس کی وجہ سے قیمتوں میں اضافہ ہو سکتا ہے۔ نتیجے کے طور پر، افراط زر عارضی طور پر بڑھ سکتا ہے لیکن توقع ہے کہ آنے والی مدت میں اس پر قابو پایا جائے گا۔ اگرچہ سیلاب کی وجہ سے پیدا ہونے والی رکاوٹیں ترقی کے اہداف کے لئے عارضی خطرات کا باعث بنتی ہیں، لیکن مجموعی طور پر میکرو اقتصادی اشارے ایک مستحکم نقطہ نظر کی طرف اشارہ کرتے ہیں جو آگے بڑھ رہا ہے۔

کارکردگی کا جائزہ

یہ رپورٹ کرنا حوصلہ افزا ہے کہ آپ کے موڈاربا نے اطمینان بخش آپریٹنگ کارکردگی کی عکاسی جاری رکھی ہے جیسا کہ زیر غور مدت کے دوران حاصل کردہ مالی نتائج سے ظاہر ہوتا ہے۔ کم ہوتی مشارکہ، اعجاز اور مراہجہ ٹرانزیکشنز پر مشتمل بنیادی کاروباری آپریشنز سے آمدنی گزشتہ موازنہ مدت کے 16.4 ملین روپے کے مقابلے میں 14.6 ملین روپے تھی۔ اس کمی کی بنیادی وجہ جون، 2024 کے بعد سے پالیسی کی شرحوں میں تقریباً 11 فیصد کمی کو قرار دیا گیا ہے، جس سے فنانسنگ پورٹ فولیو پر پھیلاؤ میں کمی واقع ہوئی ہے۔ پاکستان اسٹاک ایکسچینج نے اپنی تیزی کی رفتار کو برقرار رکھا اور 30 ستمبر، 2025 کو ختم ہونے والی سہ ماہی کے دوران تجارتی موقع کو دانشمندی سے سرمائے میں تبدیل کیا گیا جس کے نتیجے میں 1.8 ملین روپے کا سرمایہ حاصل ہوا۔ ایکویٹی پورٹ فولیو کی دوبارہ تشخیص پر دیگر آمدنی اور غیر حقیقی فائدہ سمیت کل آمدنی 17.9 ملین روپے رہی جو پچھلی موازنہ سہ ماہی کے 19.4 ملین روپے کے مقابلے میں ہے۔ زیر غور مدت کے دوران آپریٹنگ اخراجات میں پچھلی موازنہ سہ ماہی کے مقابلے میں 7.7 فیصد اضافہ ہوا۔ 30 ستمبر، 2025 کو ختم ہونے والی سہ ماہی کے دوران حاصل کردہ 3.8 ملین روپے کے بعد ٹیکس اور مینجمنٹ فیس سے پہلے کا منافع 6.14 ملین روپے تھا، آپ کے موڈاربا کا اثاثہ بیس 353 ملین روپے کی ایکویٹی بیس کے ساتھ 403 ملین روپے تھا۔

زیر غور مدت کے دوران ادائیگی کی گنجائش اور مضبوط مالی حیثیت رکھنے والے مؤکلوں کو 33 ملین روپے کی ادائیگی کی گئی۔ مالی اعانت کا اہم طریقہ بنیادی طور پر گاڑیوں کی مالی اعانت کے لئے مشارکہ کو کم کرتا رہا۔ موڈاربا کے رسک پروفائل میں خاطر خواہ بہتری کے نتیجے میں، فنانسنگ پورٹ فولیو کے خلاف کوئی نئی فراہمی کرنے کی ضرورت نہیں تھی۔

فی سرٹیفکیٹ کمائیاں

30 ستمبر، 2025 کو ختم ہونے والی مدت کے لئے آپ کے موڈاربا کی فی سرٹیفکیٹ کمائی 0.13 روپے ہے۔

مالی سال کا آغاز آپ کے موڈاربا کے لئے ایک مثبت نوٹ پر ہوا ہے۔ انتظامیہ مستحکم اور پائیدار کاروباری آپریشنز کی بنیاد پر موڈاربا کے آپریشنز اور منافع میں مزید پیشرفت اور ترقی حاصل کرنے کے لئے ہر ممکن کوشش کرنے کے لئے ہر عزم ہے۔

ٹرسٹ موڈاربا کے لیے اور اس کی جانب سے

جیف ایگریکٹو

ڈائریکٹر

23 اکتوبر، 2025

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)

AS AT SEPTEMBER 30, 2025

		(Un-audited) 30-Sep-25	(Audited) 30-Jun-25
ASSETS	Note	-----Rupees-----	
Non-current assets			
Ijarah assets	3	28,374,337	31,484,673
Fixed assets	4	23,451,166	24,559,177
Intangible asset	5	439,780	541,612
Murabaha finances	6	5,924,049	7,156,581
Diminishing musharakah financing	7	134,751,249	144,117,878
Long term deposits		294,662	294,662
Deferred taxation - net		1,416,970	1,416,970
Total non-current assets		194,652,213	209,571,553
Current assets			
Current portion of long term murabaha finances	6	38,081,699	40,282,404
Current portion of diminishing musharakah finances	7	75,633,221	74,237,249
Murabaha finances - secured	8	25,380,000	25,380,000
Ijarah rental receivables - secured		4,037,704	3,387,715
Musharakah finances (secured - considered good)	9	21,178,689	10,178,689
Short term investments	10	17,800,075	14,287,295
Income tax refundable		4,901,881	5,280,459
Advances, prepayments and other receivables	11	12,005,802	10,291,497
Cash and bank balances		8,853,757	9,066,363
Total current assets		207,872,828	192,391,671
Total assets		402,525,041	401,963,224
EQUITY AND LIABILITIES			
LIABILITIES			
Non-current liabilities			
Deferred income on murabaha		709,715	1,009,498
Customers' long term security deposits		10,910,118	11,179,368
Lease liabilities against right of use assets		6,968,938	7,269,660
Total non-current liabilities		18,588,771	19,458,526
Current liabilities			
Current portion of deferred income on murabaha		1,635,468	2,043,402
Current portion of customers' security deposits		5,990,000	5,840,750
Current portion of lease liabilities against right of use assets		2,291,095	2,730,428
Unclaimed profit distributions		13,697,088	13,697,088
Creditors, accrued and other liabilities	12	7,757,854	9,328,475
Charity payable		27,824	108,608
Total current liabilities		31,399,329	33,748,751
Total liabilities		49,988,100	53,207,277
NET ASSETS		352,536,941	348,755,947
REPRESENTED BY			
CAPITAL AND RESERVES			
Certificate capital		298,000,000	298,000,000
Reserves		54,536,941	50,755,947
Total equity		352,536,941	348,755,947

Contingencies and commitments

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The annexed notes from 1 to 21 form an integral part of these financial statements.

For Al-Zamin Modaraba Management (Private) Limited
(Modaraba Management Company)



CHIEF EXECUTIVE



DIRECTOR



DIRECTOR



CHIEF FINANCIAL OFFICER

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2025

		September 2025	September 2024
	Note	-----Rupees-----	
Income from ijarah - net	14	1,124,726	2,617,590
Profit on murabaha finances		707,717	1,059,291
Profit on musharakah finances		12,813,669	12,691,005
Dividend income on equity investments		-	212,500
Gain / (loss) on sale of short term investments		1,778,787	499,471
Other income	15	427,499	3,621,748
		<u>16,852,398</u>	<u>20,701,605</u>
Unrealized gain on revaluation of financial assets at fair value through profit or loss		998,511	(1,282,177)
		<u>17,850,909</u>	<u>19,419,428</u>
Operating expenses	16	(11,710,770)	(10,871,753)
		<u>6,140,139</u>	<u>8,547,675</u>
Modaraba Management Company's fee		(614,014)	(854,768)
Services sales tax on the Management Company's remuneration		(92,102)	-
Workers' Welfare Fund		(108,680)	(153,858)
Profit before taxation and levy		<u>5,325,343</u>	<u>7,539,049</u>
Levy, minimum tax and final taxes		-	-
Profit before taxation		<u>5,325,343</u>	<u>7,539,049</u>
Taxation		(1,544,349)	(1,245,513)
Profit for the period after taxation		<u>3,780,994</u>	<u>6,293,536</u>
Earnings per certificate - basic and diluted	17	<u>0.127</u>	<u>0.210</u>

The annexed notes from 1 to 21 form an integral part of these financial statements.

For Al-Zamin Modaraba Management (Private) Limited
 (Modaraba Management Company)


 CHIEF EXECUTIVE


 DIRECTOR


 DIRECTOR


 CHIEF FINANCIAL OFFICER

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2025

		September 2025	September 2024
	Note	-----Rupees-----	
Profit for the period		3,780,994	6,293,536
Other comprehensive income :			
<i>Items that will not be reclassified to profit and loss account</i>			
- Net change in fair value of investments classified as fair value through other comprehensive income - net of tax		-	(6,800)
<i>Items that may be reclassified subsequently to profit and loss account</i>		-	-
Other comprehensive income for the period		-	(6,800)
Total comprehensive income for the period		3,780,994	6,286,736

The annexed notes from 1 to 21 form an integral part of these financial statements.

For Al-Zamin Modaraba Management (Private) Limited
 (Modaraba Management Company)


 CHIEF EXECUTIVE


 DIRECTOR


 DIRECTOR


 CHIEF FINANCIAL OFFICER

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2025

Particulars	Certificate capital	Capital reserves	Revenue reserves		Total reserves	Total equity
		Statutory reserve	Accumulated losses			
----- (Rupees) -----						
Balance as at June 30, 2024 - restated	298,000,000	87,956,748		(40,690,899)	47,265,849	345,265,849
Net profit for the period	-	-		6,293,536	6,293,536	6,293,536
Other comprehensive income for the period	-	-		-	-	-
Total comprehensive income for the period	-	-		6,293,536	6,293,536	6,293,536
Balance as at September 30, 2024	298,000,000	87,956,748		(34,397,363)	53,559,385	351,559,385
Balance as at June 30, 2025	298,000,000	91,634,768		(40,878,821)	50,755,947	348,755,947
Net profit for the period	-	-		3,780,994	3,780,994	3,780,994
Other comprehensive income for the period	-	-		-	-	-
Total comprehensive income for the period	-	-		3,780,994	3,780,994	3,780,994
Balance as at September 30, 2025	298,000,000	91,634,768		(37,097,827)	54,536,941	352,536,941

The annexed notes from 1 to 21 form an integral part of these financial statements.

For Al-Zamin Modaraba Management (Private) Limited
(Modaraba Management Company)



CHIEF EXECUTIVE



DIRECTOR



DIRECTOR



CHIEF FINANCIAL OFFICER

CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2025

		September 2025	September 2024
CASH FLOWS FROM OPERATING ACTIVITIES	Note	-----Rupees-----	
Cash generated from operations			
Cash generated from operations	18	(7,703,361)	4,726,085
<i>Decrease / (Increase) in non-current assets:</i>			
- Long term murabaha finances		3,433,237	(2,164,507)
- Long term musharakah finances		7,970,657	(10,099,973)
<i>(Decrease) / Increase in non-current liabilities:</i>			
- Deferred income on murabaha		(707,717)	78,817
Proceeds from disposal of ijarah assets		197,557	6,557,662
Income tax paid / deducted		(1,165,771)	(1,488,207)
Net cash generated from / (used in) operating activities		2,024,602	(2,390,123)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of owned assets		(142,857)	-
Proceeds from disposal of owned assets		-	1,175,000
Disposal of investments - net		(735,477)	5,343,814
Dividends received		-	-
Net cash generated from investing activities		(878,334)	6,518,814
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment made against lease liability		(1,358,874)	(2,285,720)
Profit distributed to certificate holders		-	(28,350)
Net cash used in financing activities		(1,358,874)	(2,314,070)
Net (decrease) / increase in cash and cash equivalents		(212,606)	1,814,621
Cash and cash equivalents at the beginning of the year		9,066,363	10,384,061
Cash and cash equivalents at the period		8,853,757	12,198,682

The annexed notes from 1 to 21 form an integral part of these financial statements.

For Al-Zamin Modaraba Management (Private) Limited
(Modaraba Management Company)


CHIEF EXECUTIVE


DIRECTOR


DIRECTOR


CHIEF FINANCIAL OFFICER

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE QUARTER ENDED SEPTEMBER 30, 2025

1 LEGAL STATUS AND NATURE OF BUSINESS

Trust Modaraba (the Modaraba) was formed in Pakistan under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the rules framed thereunder and is being managed by Al-Zamin Modaraba Management (Private) Limited (AZMML). The Modaraba commenced its business operations on November 12, 1991.

The Modaraba is perpetual, multi-purpose and multi-dimensional, engaged in the business of Murabaha, Musharakah and Ijarah arrangement, investment in marketable securities, trading and other permissible businesses. The affairs, activities and transactions, performed by the modaraba during the year comply with the rules and principles of Islamic Sharia in the light of guidance and directives given by sharia advisor and are in accordance with the guideline issued by advisor of the registrar modaraba, SECP.

The principal place of business and registered office is located at 104-106, Kassam Court, BC-9, Block-5, Clifton, Karachi - 75600 whereas regional office is located at 320, 3rd Floor, Garden Heights, 8-Aibak Block, New Garden Town, Lahore.

The VIS Credit Rating Company Limited has maintained long term rating of BBB+ and short term rating of A-2 to the Modaraba. Outlook on the assigned rating is 'Stable'.

2 Basis of Preparation

2.1 Statement of compliance

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, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017.
- Provisions of and directives issued by securities and exchange commission of Pakistan (SECP), requirement of Modaraba Companies and Modarabas (Floatation and Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules, 1981, Modaraba Regulations, 2021 and Companies Act, 2017.

Where the provisions of relevant laws differ with the requirements of IAS 34, IFASs and Companies act, 2017, the provisions of and directives of relevant laws have been followed.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2025

2.2 These condensed interim financial statements should be read in conjunction with annual audited financial statements for the year ended June 30, 2025. Comparative statement of financial position is extracted from annual audited financial statements for the year ended June 30, 2025 whereas comparative statement profit and loss, comparative statement of comprehensive income, comparative cash flows statement and comparative statement of changes in equity are extracted from unaudited interim financial statements for the quarter ended September 30, 2024.

2.3 These condensed interim financial statements are unaudited.

2.4 Critical accounting estimates

The preparation of these condensed interim financial statements in conformity with the approved accounting standards as applicable in Pakistan requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, income and expenses. It also requires the management to exercise judgments in application of the Modaraba's accounting policies. The estimates, judgments and associated assumptions are based on the management's experience and various other factors that are believed to be reasonable under the circumstances. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both the current and future periods. In preparing these condensed interim financial statements, the significant judgments made by the management in applying the Modaraba's accounting policies and the key sources of estimation of uncertainty were the same as those that were applied in the annual published audited financial statements for the year ended June 30, 2025.

2.5 Functional and presentation

These condensed interim un-audited financial statements are presented in Pak Rupees, which is the Modaraba's functional and presentational currency. All the figures have been rounded off to the nearest rupees, unless otherwise stated.

2.6 Initial application of standards, amendments or interpretations to existing standards

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 the annual financial statements for the year ended 30 June 2025. Amendments to published standards that became effective during the period did not have any material impact on the Modaraba's financial statements.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED SEPTEMBER 30, 2025

			(Un-audited) September 30, 2025	(Audited) June 30, 2025
3	FIXED ASSETS GIVEN ON LEASE/IJARAH - TANGIBLE	Note	-----Rupees-----	
	Operating fixed assets given on lease (ijarah) - tangible	3.1	28,374,337	31,484,673
3.1	Operating fixed assets given on lease (ijarah) - tangible			
	Opening written down value		31,484,673	74,450,750
	Additions during the period / year		-	-
	Disposals during the period / year		(246,000)	(27,082,478)
			<u>31,238,673</u>	<u>47,368,272</u>
	Depreciation charge for the period / year		(2,864,336)	(15,883,599)
			<u>28,374,337</u>	<u>31,484,673</u>
4	FIXED ASSETS IN OWN USE			
	Fixed assets in own use	4.1	13,601,683	13,719,220
	Right of use assets	4.2	9,849,483	8,968,532
			<u>23,451,166</u>	<u>22,687,752</u>
4.1	Fixed assets in own use			
	Opening written down value		13,719,220	13,979,664
	Additions during the period / year		142,857	981,626
	Disposals during the period / year		-	(248,780)
			<u>13,862,077</u>	<u>14,712,510</u>
	Depreciation charge for the period / year		(260,394)	(993,290)
			<u>13,601,683</u>	<u>13,719,220</u>
4.2	Right of use assets			
	Opening written down value		10,839,957	8,968,532
	Additions during the period / year		-	5,731,851
			<u>10,839,957</u>	<u>14,700,383</u>
	Depreciation charge for the period / year		(990,474)	(3,860,426)
	Closing balance		<u>9,849,483</u>	<u>10,839,957</u>
5	INTANGIBLE ASSET			
	Cost			
	Balance at beginning of the year		2,272,000	2,272,000
	Additions during the period		-	-
	Closing balance		<u>2,272,000</u>	<u>2,272,000</u>
	Accumulated amortisation			
	Balance at beginning of the year		1,730,388	1,323,060
	Charged during the period		101,832	407,328
	Closing balance		<u>1,832,220</u>	<u>1,730,388</u>
	Written down value		<u>439,780</u>	<u>541,612</u>
	Rate %		<u>33%</u>	<u>33%</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED SEPTEMBER 30, 2025

		(Un-audited) 30-Sep-25	(Audited) 30-Jun-25
6	MURABAHA FINANCES - SECURED		
	Considered good	13,923,875	17,357,111
	Considered doubtful	36,755,652	36,755,652
	Provision for doubtful long term murabaha finances	(6,673,779)	(6,673,778)
		<u>44,005,748</u>	<u>47,438,985</u>
	Current portion	(38,081,699)	(40,282,404)
	Non-current portion	<u>5,924,049</u>	<u>7,156,581</u>
7	DIMINISHING MUSHARAKAH FINANCING - SECURED		
	Considered good	208,676,083	222,089,949
	Considered doubtful	5,929,492	-
	Current portion	(75,633,221)	(74,237,249)
	Provision for Diminishing Musharakah finances	(3,734,822)	(3,734,822)
	Suspended income for Diminishing Musharakah finances	(486,283)	-
	Non-current portion	<u>134,751,249</u>	<u>144,117,878</u>
8	MURABAHA FINANCES - SECURED		
	Considered good	-	-
	Considered doubtful		
	- Regular parties	5,000,000	5,000,000
	- Parties under litigation	28,800,000	28,800,000
		33,800,000	33,800,000
	Provision for doubtful long term murabaha finances	(8,420,000)	(8,420,000)
		<u>25,380,000</u>	<u>25,380,000</u>
9	MUSHARAKAH FINANCES - SECURED		
	Considered good	21,499,750	10,499,750
	Provision for Musharakah finances	(321,061)	(321,061)
		<u>21,178,689</u>	<u>10,178,689</u>
10	SHORT TERM INVESTMENTS		
	Financial assets at fair value through profit or loss:		
	Shares of listed companies	10.1	
		17,800,075	14,287,295
		<u>17,800,075</u>	<u>14,287,295</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2025

10.1 Shares of listed companies

Unless otherwise stated, the holdings are in fully paid ordinary shares of Rs. 10 each.

Number of shares		Name of Investee	September 30, 2025		June 30, 2025	
September 2025	June 2025		Average Cost	Market Value	Average Cost	Market Value
-----Rupees-----						
CEMENT						
12,975	-	Maple Leaf Cement Limited	1,395,886	1,422,190	-	-
			1,395,886	1,422,190	-	-
OIL & GAS MARKETING COMPANIES						
-	10,000	Sui Southern Gas Company Limited	-	-	376,996	427,900
500	-	Mari Energies Limited	367,731	370,520	-	-
			367,731	370,520	376,996	427,900
REFINERY						
30,000	20,000	Pakistan Refinery Limited	1,019,889	1,108,500	717,236	678,600
320,000	320,000	Cnergyco Pk Limited	2,628,231	2,665,600	2,628,231	2,281,600
			3,648,120	3,774,100	3,345,467	2,960,200
POWER GENERATION & DISTRIBUTION						
-	10,000	Hub Power Company	-	-	1,354,090	1,378,100
			-	-	1,354,090	1,378,100
FOOD & PERSONAL CARE PRODUCTS						
20,000	-	Fauji Foods Limited	368,009	446,800	-	-
			368,009	446,800	-	-
PHARMACEUTICALS						
20,000	50,000	Citi Pharma Limited	1,819,133	2,005,600	4,547,833	4,198,500
-	10,000	The Searle Company Limited	-	-	887,028	877,000
			1,819,133	2,005,600	5,434,861	5,075,500
TECHNOLOGY & COMMUNICATION						
50,000	50,000	Octopus Digital Limited	3,047,250	2,674,500	3,047,250	2,575,000
			3,047,250	2,674,500	3,047,250	2,575,000
CHEMICALS						
100,000	40,000	Engro Polymer & Chemical Limited	3,627,571	3,074,000	1,707,262	1,262,000
			3,627,571	3,074,000	1,707,262	1,262,000
Fertilizer						
5,000	-	Engro Fertilizers Limited	1,085,369	1,108,400	-	-
			1,085,369	1,108,400	-	-
PROPERTY						
17,363	-	Javedan Corporation Limited	1,566,803	1,528,465	-	-
			1,566,803	1,528,465	-	-
PAPER, BOARD & PACKAGING						
50,000	19,500	Century Paper and Board Mills	1,644,432	1,395,500	790,112	608,595
			1,644,432	1,395,500	790,112	608,595
			18,570,304	17,800,075	16,056,038	14,287,295

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE QUARTER ENDED SEPTEMBER 30, 2025

		(Un-audited) September 30, 2025	(Audited) June 30, 2025
	Note	-----Rupees-----	
11 ADVANCES, PREPAYMENTS AND OTHER RECEIVABLES			
Loans to / receivable from employees - considered good		153,000	399,000
Prepayments		4,823,860	4,927,915
Advance against expenses		-	22,222
Accrued profit (secured - considered good)		4,410,356	2,353,774
Legal suits' charges receivable (secured - considered good)	11.1	2,234,112	2,204,112
Sundry receivables (unsecured - considered good)		384,474	384,474
		<u>12,005,802</u>	<u>10,291,497</u>

11.1 Legal suits' charges receivable

Opening balance	2,723,002	2,718,002
Expenses incurred	30,000	5,000
Gross amount	2,753,002	2,723,002
Allowance for doubtful legal suits' charges receivables	(518,890)	(518,890)
	<u>2,234,112</u>	<u>2,204,112</u>

12 CREDITORS, ACCRUED AND OTHER LIABILITIES

Payable to Modaraba Management		
Company (Related party)	614,014	2,686,354
Provision for Workers' Welfare Fund	158,643	517,762
Accrued expenses	1,467,254	1,310,336
Other liabilities	2,543,476	1,931,658
Sales tax on management fee payable	2,974,467	2,882,365
	<u>7,757,854</u>	<u>9,328,475</u>

13 CONTINGENCIES AND COMMITMENTS

13.1 Contingencies

- 13.1.1** Notice was served to Trust Modaraba dated 28 August 2018, along with certain other modarabas, by Sindh Revenue Board (SRB) for the recovery of tax under Sindh Sales Tax on Services Act, 2011 amounting to Rs. 38.52 million comprising allegedly unpaid sales tax on services rendered in Sindh from years 2011-12 to 2017-18.

The Modaraba along with other Modarabas has filed a petition in Honorable Sindh High Court (SHC) on September 1, 2018, challenging the demand of Sindh Revenue Board (SRB) on the grounds of non-applicability of sales tax. A stay order in this regard has been granted by the SHC stating that no adverse order in respect of the proposed treatment shall be made against the Petitioners. The management of the Modaraba based on its discussions with its legal counsel is of the view that in light of the stay order of the Court and the merits of the matter involved, the impugned charge of sales tax will be quashed and favorable outcome is expected. Therefore, no provision for any sales tax liability on rentals of lease financing has been made in the financial statements. The court directed that no further coercive action shall be taken against the petitioner, and that the matter may be adjudicated vide a speaking order after providing an opportunity of hearing to the petitioner. The learned counsel for the respondent raised no objection, and the petition was accordingly disposed of in these terms.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2025

- 13.1.1.2** The Assistant commissioner Inland Revenue (ACIR) has issued order dated June 30, 2022 by creating demand under sub-section 161 of Rs 1,038,285 along with default surcharge of Rs 809,862. The tax payer has filed appeal against said order on July 16, 2022 before commissioner Inland Revenue (CIR). During the year, CIR remanded back the case to (ACIR) and taxpayer being aggrieved by the order of CIR filed appeal before Appellate Tribunal Inland Revenue (ATIR). The ATIR annulled the findings of ACIR and remit the matter to officer of Inland Revenue (OIR). As at year end, the matter is pending before the OIR.
- 13.1.3** The Deputy commissioner Inland Revenue (DCIR) has issued order dated August 31, 2021 by creating demand under sub-section 122 (1) of the Income Tax Ordinance, 2001 for Rs 5,776,892. The Modaraba had filed appeal against said order before Commissioner Inland Revenue - Appeals (CIRA), who vide order dated 24-Jan-2022 remanded the case with directions to pass a speaking order by going through the relevant record. Opportunities of hearing were provided. During the year, DCIR passed the order dated June 24, 2024 by creating a demand of Rs. 5,776,892 and taxpayer being aggrieved by the order of DCIR filed appeal before CIRA, which is pending for adjudication. The management, in consultation with its tax advisor, has determined that favorable outcome is expected.
- 13.1.4** The Deputy commissioner Inland Revenue (DCIR) issued notices dated August 18, 2023 by confronting amount of Rs. 143,347 and Rs. 732,850 against tax years 2020 and 2021 respectively under sub-section 221(2) of the Income Tax Ordinance, 2001. These demands pertain to the adjustment of refunds against the admitted tax liabilities. The Modaraba has submitted a detailed response to the DCIR, accompanied by comprehensive documentary evidence. Decision is pending but the management, in consultation with its tax advisor, has determined that favorable outcome is expected.
- 13.1.5** On December 06, 2022, Sindh Revenue Board (SRB) issued a notice under Section 73 of the Stamps Act, 1899 to several modaraba companies for inspection of the records regarding stamp duty applicability. The Modaraba responded on December 22, 2022 that the Modaraba is a non-banking financial institution and Stamps act, 1899 is not applicable. However without prejudice to the rights and remedies and only as a matter of cooperation, the management partially complied.

On December 12, 2023 the Modaraba received a demand from Sindh Revenue Board (SRB) against stamp duty of Rs. 280,509 and Rs. 108,900 applicable on purchase orders and promissory notes respectively, covering the period July 01, 2020 to March 03, 2023. The Modaraba responded on January 08, 2024 that Article 15(b) of the stamps act, 1899 deals with the manufacturing concerns or business which undertake cartage of stores and materials and as such it is not applicable to NBFCs and Modarabas involved in Shariah compliant asset financing. The matter is being dealt at the association level.

Regarding the stamp duty on promissory note under Sec 2(22) of Article 28 of the Stamps Act 1899, the management has acknowledged its application and has recognized a provision for the period of July 01, 2022 to June 30, 2025 in Note 12 amounting to Rs. 145,800.

Disbursement of Ijarah / Murabaha / Musharakah
to be made to customers

- 11,000,000

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED SEPTEMBER 30, 2025

	(Un-audited) September 30 2025	(Un-audited) September 30 2024
	-----Rupees-----	
14 INCOME FROM IJARAH - NET		
Income from leasing and Ijarah operations	4,280,231	8,775,399
Less: Depreciation on fixed assets given on ijarah	(2,864,331)	(5,509,700)
Less: Insurance on ijarah assets	(291,174)	(648,109)
	<u>1,124,726</u>	<u>2,617,590</u>
15 OTHER INCOME		
Gain on disposal of ijarah assets	71,557	1,185,739
Gain on disposal of owned fixed assets	-	959,000
Profit on deposit and saving accounts with banks	19,254	135,619
Miscellaneous income	336,688	1,341,390
	<u>427,499</u>	<u>3,621,748</u>
16 OPERATING EXPENSES		
Salaries, allowances and other benefits	5,534,055	4,852,831
Legal and professional charges	230,000	80,000
Fees and subscription	813,130	805,259
Electricity, gas and water	359,845	458,835
Telephone, postage and courier	394,017	374,867
Printing and stationery	125,945	155,057
Traveling and conveyance	-	164,031
Entertainment	79,800	285,779
Insurance	44,655	33,668
Vehicle running	782,951	678,371
Newspaper and periodicals	-	3,410
Rent, rates and taxes	352,065	302,565
Repairs and maintenance	773,336	686,406
Depreciation on own assets	260,393	265,546
Depreciation on right of use assets	990,474	898,896
Amortization of intangible assets	101,832	101,832
Bank charges and commission	13,542	2,415
Sales tax	20,290	26,594
Unwinding of lease liabilities	618,819	642,086
Miscellaneous	36,710	53,305
Office supply	178,911	-
	<u>11,710,770</u>	<u>10,871,753</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE QUARTER ENDED SEPTEMBER 30, 2025

		(Un-audited) September 30 2025	(Un-audited) September 30 2024
17 EARNING PER CERTIFICATE - BASIC AND DILUTED			
Profit for the period	Rupees	3,780,994	6,293,536
Weighted average number of certificates	Number	29,800,000	29,800,000
Earnings per certificate	Rupees	0.127	0.211
17.1	There is no dilution effect on the basic earnings per certificate of the Modaraba.		
18 CASH GENERATED FROM OPERATIONS			
Profit before taxation		5,325,343	7,539,049
Adjustments for non-cash and other items:			
- Depreciation:			
Under ijarah		2,864,331	5,509,700
In own use		260,394	265,546
Right of use assets		990,474	898,896
Amortization of intangible assets		101,832	101,832
- (Gain) / loss on disposal own assets		-	(959,000)
- (Gain) / loss on disposal ijarah assets		(71,557)	(1,185,739)
- (Gain) / Loss on sale of short term investment		(1,778,787)	(499,471)
- Unrealized (gain)/loss on revaluation of held for trading investment		(998,511)	1,282,177
- Unwinding for lease liabilities		618,819	642,086
- Workers' Welfare Fund		108,680	153,858
- Dividend income		-	(212,500)
		2,095,675	5,997,385
Operating profit before working capital changes		7,421,018	13,536,434
Decrease / (increase) in current assets			
- Advances, deposits, prepayments and other receivables		(1,714,305)	(3,156,358)
- Short term murabaha finances		-	20,002
- Short term musharakah finances		(11,000,000)	833,384
- Ijarah rental receivables		(649,989)	(298,120)
Increase / (decrease) in current liabilities			
- Charity payable		(80,784)	(154,140)
- Creditors, accrued and other liabilities		(1,679,301)	(6,055,117)
		(15,124,379)	(8,810,349)
Cash generated from operations		(7,703,361)	4,726,085

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2025

19 TRANSACTION WITH RELATED PARTIES

Transactions during the period

Related party	Relationship	Nature of transaction	(Un-audited) September 30 2025	(Un-audited) September 30 2024
-----Rupees-----				
Al-Zamin Modaraba Management (Private) Limited	Modaraba Management Company	Management fee	614,014	854,768
		Office rent	288,000	624,000
Employees' Provident Fund	Associated undertaking	Contribution for the period	276,146	243,553

Outstanding Balance as at the period end

		(Un-audited) September 30 2025	(Audited) June 30, 2025
-----Rupees-----			
Al-Zamin Modaraba Management (Private) Limited	Payable against management fee	614,014	2,686,354
Executives	Loan receivables	-	232,000
	Payable to Ather Imam Vice President	46,000	46,000
	Payable to Hamida Aqeel Company Secretary	620,000	620,000

20 NON ADJUSTING EVENT AFTER THE REPORTING DATE

The Board of Directors of the Management Company in their meeting held on September 24, 2025, has decided to pass over the dividend for the year ended on 30th June 2025 (2024: 0.5 per certificate, amounting to Rs. 14,900,000 for the year ended 30th June, 2024.)

21 AUTHORIZATION OF FINANCIAL STATEMENTS

These financial statements were approved for issue by the Board of Directors of the Management company in their meeting held on October 23, 2025.

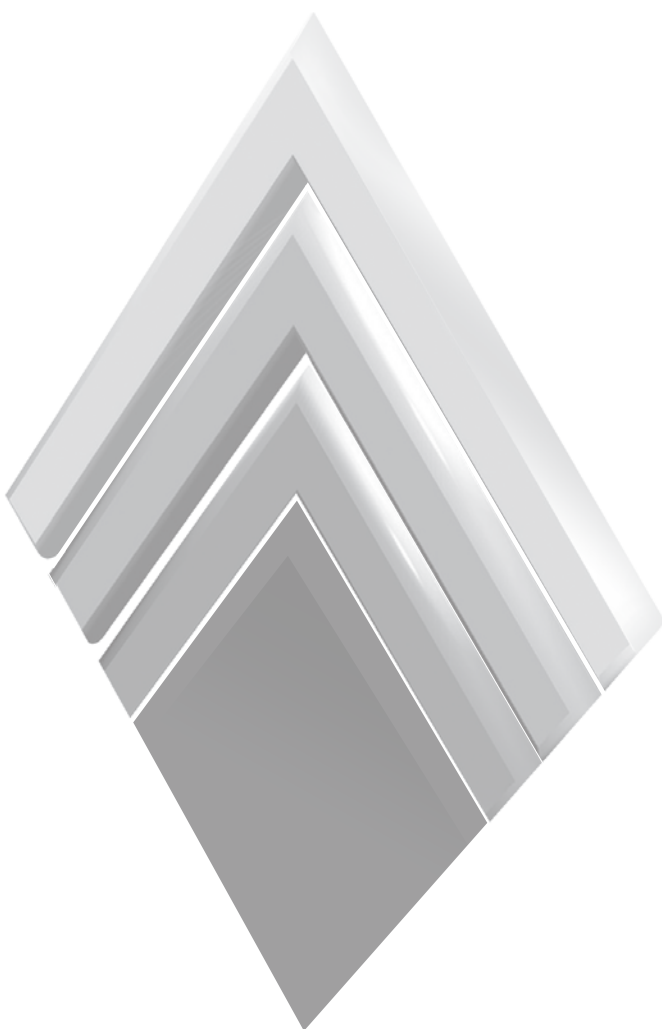
For Al-Zamin Modaraba Management (Private) Limited
(Modaraba Management Company)


CHIEF EXECUTIVE


DIRECTOR


DIRECTOR


CHIEF FINANCIAL OFFICER





KARACHI

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