

## **HALF YEARLY REPORT**

For the period ended December 31, 2025  
(Un-Audited)



FIRST IMROOZ MODARABA

Managed By  
A R Management Services (Private) Limited



## MODARABA INFORMATION

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<b>Modaraba Management Company</b>	A R Management Services (Private) Ltd.
<b>Directors of Modaraba Company</b>	Mr. Naveed Riaz – Chief Executive Mr. Ameer Riaz Mr. Omar Mohammad Khan Mr. Aliuddin Ahmed
<b>Chief Financial Officer</b>	Mr. Sheheryar Ali
<b>Audit Committee</b>	Mr. Aliuddin Ahmed (Chairman) Mr. Omar Mohammad Khan (Member)
<b>Human Resource Committee</b>	Mr. Aliuddin Ahmed (Chairman) Mr. Omar Mohammad Khan (Member) Mr. Ameer Riaz (Member)
<b>Company Secretary</b>	Mr. Shabbir Ahmed Jamsa
<b>Chief Internal Auditor</b>	Mr. Abbas Kerani
<b>Auditors</b>	M/s. Reanda Haroon Zakaria Aamir Salman Rizwan & Company Chartered Accountants
<b>Bankers</b>	Soneri Bank Limited Bank Alfalah Limited Bank AL Habib Limited Faysal Bank Limited Meezan Bank Limited
<b>Legal Advisors</b>	Mr. Masood Aziz Advocate Masood Aziz & Associates



FIRST IMROOZ MODARABA

**Shariah Advisor**

**Principal place of business**

Mufti Abdul Qadir

Room No. 405, 4<sup>th</sup> Floor

Beaumont Plaza, Beaumont Road

Civil Lines Quarters, Karachi.

**Registered Office of the Modaraba Company**

125-S, Small Industrial Area

Kot Lakhpat, Lahore.

**Certificate Registration Office**

F.D. Registrar Services (Pvt) Limited

Office No. 1705, 17<sup>th</sup> Floor, Saima Trade

Tower-A, I.I. Chundrigar Road, Karachi.

## REPORT OF THE DIRECTORS

The Board of Directors of A R Management Services (Private) Limited, the management company of First Imrooz Modaraba would like to present to its certificate holders the Directors' Report together with Unaudited Financial Statements of the Modaraba for the half year ended December 31, 2025, duly reviewed by the statutory auditors.

### 1. Key Financial Highlights

	(Rupees in million)	
	Six months ended	
	31-Dec-2025	31-Dec-2024
Sales	586.634	564.924
Gross profit	112.681	151.234
Operating expenses	65.838	62.039
Profit for the half year	7.295	52.766
Earnings per certificate - basic & diluted (Rupees)	2.43	17.59

### 2. Review of Operations

During the half year ended 31 December 2025, the Modaraba recorded sales of Rs. 586.63 million compared to Rs. 564.92 million in the corresponding period last year. Gross profit declined to Rs. 112.68 million from Rs. 151.23 million due to continued pressure on margins, mainly arising from global market conditions where inventory buildup in China led to discounted pricing of similar products. The Modaraba had to continue with its sales at very low margins.

Operating expenses increased slightly to Rs. 65.84 million from Rs. 62.04 million in the same period last year. As a result, profit for the half year decreased to Rs. 7.30 million compared to Rs. 52.77 million last year, with earnings per certificate standing at Rs. 2.43 versus Rs. 17.59.

Management remains focused on improving margins, optimizing inventory levels and increasing sales in the remaining period of the financial year to achieve better results.



### 3. Acknowledgement

The Board wishes to express its thanks for continued guidance and support extended by the Registrar Modaraba and other officials of Securities and Exchange Commission of Pakistan. The Board also wishes to thank its certificate holders, colleagues, investors, bankers and business partners for their continued support and co-operation.

For and on behalf of the Board

**Naveed Riaz**  
Chief Executive

**Ameed Riaz**  
Director

February 25, 2026



FIRST IMROOZ MODARABA

## ڈائریکٹرز کی رپورٹ

فرسٹ امروز مضاربہ کی انتظامی کمپنی اے آر مینجمنٹ سروسز (پرائیویٹ) لمیٹڈ کے بورڈ آف ڈائریکٹرز اپنے سرٹیفکیٹ ہولڈرز کو ڈائریکٹرز رپورٹ بشمول مضاربہ کے غیر آڈٹ شدہ مالی حسابات ششماہی اختتام 31 دسمبر، 2025ء بعد از آڈیٹر کے جائزہ کے پیش کرتے ہیں۔

## نمایاں مالیاتی نکات

ششماہی اختتام		
31-Dec-2024	31-Dec-2025	
(ملین روپوں میں)		
564.942	586.634	فروخت اشیاء
151.234	112.681	مجموعی منافع
62.039	65.838	انتظامی اخراجات
52.766	7.295	ششماہی منافع
17.59	2.43	فی کس سرٹیفکیٹ آمدنی/(بنیادی اور تحلیل شدہ) روپے

## کارکردگی کا جائزہ

31 دسمبر 2025ء کو ختم ہونے والے ششماہی میں مضاربہ کی فروخت اشیاء 586.63 ملین رہی، جو گزشتہ سال کے اسی عرصے میں 564.92 ملین روپے تھی۔ مجموعی منافع 151.23 ملین روپے سے کم ہو کر 112.68 ملین روپے رہا، جس کی بنیادی وجہ شرح منافع پر مسلسل دباؤ تھا، جو عالمی مارکیٹ کے حالات کے باعث پیدا ہوا جس کی وجہ سے چین میں خام مال کے ذخیرہ میں اضافہ ہوا، چینی سپلائرز نے رعایتی قیمت پر مماثل مصنوعات پیش کیں۔ نتیجتاً، مضاربہ کو نہایت کم منافع پر اپنی فروخت جاری رکھنا پڑی۔

انتظامی اخراجات پچھلے سال کی اسی مدت میں 62.04 ملین روپے سے بڑھ کر موجودہ مدت میں 65.84 ملین روپے ہو گئے۔ نتیجتاً، ششماہی منافع گزشتہ سال کے اسی عرصے کے 52.77 ملین روپے سے نمایاں کمی کے بعد 7.30 ملین رہ گیا، فی کس سرٹیفکیٹ آمدنی 17.59 روپے کے مقابلے میں 2.43 روپے رہی۔

انتظامیہ مالی سال کے بقیہ عرصے میں بہتر نتائج کے حصول کے لیے شرح منافع میں بہتری، ذخائر کی سطح کو مؤثر بنانے اور فروخت میں اضافے پر توجہ مرکوز رکھے ہوئے ہے۔



FIRST IMROOZ MODARABA

## اظہارِ تشکر

بورڈ اس موقع پر رجسٹرار مضاربہ اور سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے دیگر حکام کی مسلسل رہنمائی اور مدد کے لئے اپنے تشکر کا اظہار کرتا ہے۔ بورڈ اس کے علاوہ اپنے سرٹیفکیٹ مالکان، رفقاء کار، سرمایہ کاروں، بنکاروں اور کاروباری پارٹنرز کی رہنمائی کے لئے ان سب کا شکر گزار ہے۔

منجانب بورڈ

عمید ریاض

ڈائریکٹر

نوید ریاض

چیف ایگزیکٹو

25 فروری، 2026ء

**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF  
FIRST IMROOZ MODARABA  
REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS**

***Introduction***

We have reviewed the accompanying condensed interim statement of financial position of **First Imrooz Modaraba** (the modaraba) as at December 31, 2025 and the related condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of cash flows, and condensed interim statement of changes in equity and notes to the condensed interim financial statements for the six months period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and fair presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

***Scope of Review***

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and apply analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

***Conclusion***

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

***Other Matter***

Pursuant to the requirement of section 237(1)(b) of the Companies Act, 2017, only cumulative figures for the half year, presented in the second quarter accounts, are subject to a limited scope review by the statutory auditors of the company. Accordingly, the figures of the condensed interim profit and loss account and the condensed interim statement of comprehensive income for the three-month period ended December 31, 2025, have not been reviewed by us.

The engagement partner on the audit resulting in this independent auditor's report is **Mohammad Iqbal**.

Ritzaspc Reanda Haroon Zakaria Aamir Salman Rizwan & Co  
**Reanda Haroon Zakaria Aamir Salman Rizwan & Company** Place: Karachi  
Chartered Accountants Dated: 25 FEB 2026

UDIN: RR202510086WPG8JKbiL

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**Reanda Haroon Zakaria Aamir Salman Rizwan & Company**  
Chartered Accountants

Suite Nos. M13, 709 & 710 Progressive Plaza, Beaumont Road, Karachi 75530, Pakistan.  
Tel: +92 (21) 3567 4741-44 Fax: +92 (21) 3567 4745 | Email: info@hzasrkhi.pk | www.hzasr.pk

Other offices at:  
Lahore and Islamabad



# FIRST IMROOZ MODARABA

## CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2025

		<i>December 31,</i> <i>2025</i> <i>(Un-audited)</i>	<i>June 30,</i> <i>2025</i> <i>(Audited)</i>
<b><u>ASSETS</u></b>			
<b>Non-Current Assets</b>			
Property and equipment	5	21,506,645	15,072,279
Intangible assets		253,850	435,500
Long-term deposits		1,460,702	902,702
Deffered tax	6	-	-
		<u>23,221,197</u>	<u>16,410,481</u>
<b>Current Assets</b>			
Stock in trade	7	369,469,308	450,669,478
Trade debtors	8	222,243,492	204,651,757
Advances, deposits, prepayments and other receivables		1,871,135	4,555,285
Sales tax adjustable		10,387,015	-
Cash at banks	9	21,548,858	2,550,461
		<u>625,519,808</u>	<u>662,426,981</u>
<b>Total Assets</b>		<u><b>648,741,005</b></u>	<u><b>678,837,462</b></u>
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Capital And Reserves</b>			
Authorized capital 10,000,000 Modaraba certificates of Rs. 10/- each		<u>100,000,000</u>	<u>100,000,000</u>
Issued, subscribed and paid-up certificate capital		30,000,000	30,000,000
Statutory reserve		118,733,257	118,733,257
Revenue reserve		<u>85,866,652</u>	<u>123,570,792</u>
		<u>234,599,909</u>	<u>272,304,049</u>
<b>Non-Current Liabilities</b>			
Obligation under diminishing musharka	10	886,600	1,576,912
Defined benefit plan - Staff gratuity		<u>3,951,031</u>	<u>6,719,947</u>
		<u>4,837,631</u>	<u>8,296,859</u>
<b>Current Liabilities</b>			
Current portion of obligation under diminishing musharka		1,475,326	1,573,486
Creditors, accrued and other liabilities	11	205,980,960	200,307,339
Running musharaka financing	12	11,087,250	29,785,817
Musawamah finance	13	160,000,000	160,000,000
Qard-e-Hasana from Modaraba Management Company	14	27,500,000	3,000,000
Accrued profit on finance facilities		<u>3,259,929</u>	<u>3,569,912</u>
		<u>409,303,465</u>	<u>398,236,554</u>
<b>Total Equity and Liabilities</b>		<u><b>648,741,005</b></u>	<u><b>678,837,462</b></u>
<b>Contingencies and Commitments</b>	15		

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

**For A R Management Services (Private) Limited  
(Modaraba Management Company)**

*Naveed Riaz*  
*Chief Executive*

*Ameed Riaz*  
*Director*

*Sheheryar Ali*  
*Chief Financial Officer*



## FIRST IMROOZ MODARABA

**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE  
INCOME (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2025**

	<i>Half year ended</i>		<i>Quarter ended</i>	
	<i>December 31, 2025</i>	<i>December 31, 2024</i>	<i>December 31, 2025</i>	<i>December 31, 2024</i>
<i>Note</i>	<i>----- (Rupees) -----</i>		<i>----- (Rupees) -----</i>	
Sales	<b>586,633,512</b>	564,923,742	<b>334,231,352</b>	256,804,333
Cost of sales	<b>(473,952,689)</b>	(413,689,889)	<b>(271,663,252)</b>	(180,255,069)
<b>Gross profit</b>	<b>112,680,823</b>	151,233,853	<b>62,568,100</b>	76,549,264
Operating expenses	<b>(65,838,069)</b>	(62,039,298)	<b>(32,841,306)</b>	(35,846,136)
Operating profit	<b>46,842,754</b>	89,194,555	<b>29,726,793</b>	40,703,128
Financial charges	16 <b>(11,119,728)</b>	(14,108,706)	<b>(5,416,337)</b>	(6,030,673)
Other income	<b>2,937,588</b>	2,147,832	<b>2,811,943</b>	1,206,911
	<b>38,660,614</b>	77,233,681	<b>27,122,400</b>	35,879,366
Provision for Sindh Workers' Welfare Fund	-	(1,544,674)	-	(717,588)
<b>Profit before levy and income tax</b>	<b>38,660,614</b>	75,689,007	<b>27,122,400</b>	35,161,778
Levy	<b>(31,364,754)</b>	(22,922,670)	<b>(17,641,138)</b>	(11,557,794)
<b>Profit before income tax</b>	<b>7,295,860</b>	52,766,337	<b>9,481,262</b>	23,603,984
Taxation	-	-	-	-
<b>Profit for the period</b>	<b>7,295,860</b>	52,766,337	<b>9,481,262</b>	23,603,984
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>7,295,860</b>	52,766,337	<b>9,481,262</b>	23,603,984
<b>Earnings per certificate - basic and diluted</b>	<b>2.43</b>	17.59	<b>3.16</b>	7.87

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

**For A R Management Services (Private) Limited  
(Modaraba Management Company)**

*Naveed Riaz*  
Chief Executive

*Ameed Riaz*  
Director

*Sheheryar Ali*  
Chief Financial Officer



## FIRST IMROOZ MODARABA

### CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2025

	<i>Paid-up certificate</i>	<i>Statutory reserve</i>	<i>Revenue reserve Unappropriated profit</i>	<i>Total</i>
	----- (Rupees) -----			
<b>Balance as at July 01, 2024</b>	30,000,000	118,733,257	73,124,705	221,857,962
Total comprehensive income for the period				
Profit for the period	-	-	52,766,337	52,766,337
Other comprehensive income	-	-	-	-
	-	-	52,766,337	52,766,337
<b>Transaction with owners</b>				
Profit distribution for the year ended June 30, 2024 @ Rs. 15 per certificate	-	-	(45,000,000)	(45,000,000)
<b>Balance as at December 31, 2024</b>	<u>30,000,000</u>	<u>118,733,257</u>	<u>80,891,042</u>	<u>229,624,299</u>
<b>Balance as at July 01, 2025</b>	<b>30,000,000</b>	<b>118,733,257</b>	<b>123,570,792</b>	<b>272,304,049</b>
Total comprehensive income for the period				
Profit for the period	-	-	7,295,860	7,295,860
Other comprehensive income	-	-	-	-
	-	-	7,295,860	7,295,860
<b>Transaction with owners</b>				
Profit distribution for the year ended June 30, 2025 @ Rs. 15 per certificate	-	-	(45,000,000)	(45,000,000)
<b>Balance as at December 31, 2025</b>	<u>30,000,000</u>	<u>118,733,257</u>	<u>85,866,652</u>	<u>234,599,909</u>

Revenue reserve can be utilized to meet any contingencies and for distribution of profit by way of dividend.

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

**For A R Management Services (Private) Limited  
(Modaraba Management Company)**

*Naveed Riaz*  
Chief Executive

*Ameed Riaz*  
Director

*Sheheryar Ali*  
Chief Financial Officer



# FIRST IMROOZ MODARABA

## CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2025

	Note	Half year ended	
		December 31, 2025	December 31, 2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before levy and income tax		38,660,614	75,689,007
Adjustments for non-cash and other items:			
Depreciation	5	3,194,419	2,464,793
Amortisation on intangible assets		181,650	260,450
Gain on disposal of assets		(2,780,466)	(1,499,463)
Financial charges	16	11,119,728	14,108,706
		<u>11,715,330</u>	<u>15,334,486</u>
Operating profit before working capital changes		50,375,944	91,023,493
Changes in operating assets and liabilities			
(Increase) / Decrease in current assets			
Stock in trade	7	81,200,170	(17,517,432)
Trade debtors	8	(17,591,735)	(51,665,227)
Advances, deposits, prepayments and other receivables		2,126,150	(523,087)
Sales tax adjustable		(10,387,015)	(10,280,823)
Increase in current liabilities			
Creditors, accrued and other liabilities		5,490,370	67,846,179
Cash generated from operations		111,213,884	78,883,103
Financial charges paid		(11,429,711)	(15,975,259)
Income taxes paid		(31,364,754)	(22,922,671)
Staff gratuity paid		(2,768,916)	-
Net cash generated from operating activities		<u>65,650,503</u>	<u>39,985,173</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property and equipment	5	(9,675,320)	(7,519,680)
Proceeds from disposal of property and equipment		2,827,001	1,509,000
Net cash used in investing activities		<u>(6,848,319)</u>	<u>(6,010,680)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Dividend paid		(44,816,749)	(44,267,011)
Receipts of Qard-e-Hasana from Modaraba Management Company	14	121,500,000	86,000,000
Repayment of Qard-e-Hasana to Modaraba Management Company	14	(97,000,000)	(56,000,000)
Repayment of Running Musharaka finances	12	(18,698,566)	(2,664,069)
Repayment of Diminishing Musharaka finances	10	(788,472)	(304,855)
Receipts from Morabaha finances		-	9,250,143
Receipts from Musawamah finances	13	320,000,000	285,000,000
Repayment of Musawamah finances	13	(320,000,000)	(300,000,000)
Net cash used in from financing activities		<u>(39,803,787)</u>	<u>(22,985,791)</u>
Net increase in cash and cash equivalents		18,998,397	10,988,702
Cash and cash equivalents at the beginning of the period		2,550,461	6,419,338
Cash and cash equivalents at the end of the period		<u>21,548,858</u>	<u>17,408,040</u>

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

For A R Management Services (Private) Limited  
(Modaraba Management Company)

Naveed Riaz  
Chief Executive

Ameed Riaz  
Director

Sheheryar Ali  
Chief Financial Officer



## FIRST IMROOZ MODARABA

### ***NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2025***

#### ***1 NATURE AND STATUS OF BUSINESS***

- 1.1*** First Imrooz Modaraba (the Modaraba) is a multipurpose and perpetual modaraba formed under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the Rules framed thereunder and is managed by A R Management Services (Private) Limited (the Modaraba Management Company). The Modaraba Management Company is incorporated in Pakistan under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017) and was registered with the Registrar of Modaraba Companies and Modaraba under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980. The Modaraba is listed on Pakistan Stock Exchange Limited. After receiving the certificate of minimum subscription the Modaraba commenced its operations with effect from March 01, 1994.
- 1.2*** It is a multi purpose, perpetual Modaraba and is mainly engaged in domestic and international trading activities. The Modaraba primarily trades in industrial raw materials, catering to numerous industries like paint, coatings, pharmaceuticals, food, agriculture, personal care, household, textile etc.
- 1.3*** The Modaraba has entered into rental agreements for the use of premises and warehouses of its associated companies, the details of which are as under;
- (i)*** Registered office: Room No. 405, 4th Floor, Beaumont Plaza, Beaumont Road, Civil Line Quarters, Karachi, Sindh, Pakistan.
  - (ii)*** Karachi warehouse: C-28, S.I.T.E, Karachi.
  - (iii)*** Lahore branch / warehouse: Plots # 125-S, Small Industries Area, Kot Lakhpat, Lahore.

Transaction-wise details of the above arrangements have been presented in note 19 to these financial statements.

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

##### ***2.1 Statement of compliance***

These condensed interim financial statements has 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, Modaraba Regulations, 2021 and directives issued by the Securities and Exchange Commission of Pakistan ['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.

- 2.1.1** The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of IAS 34. This condensed interim financial information 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, 2025.
- 2.1.2** The comparative statement of financial position presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Modaraba for the year ended June 30, 2025, whereas the comparative condensed interim profit or loss and other comprehensive income, condensed interim cash flow statement, condensed interim statement of changes in equity of the Modaraba are extracted from the unaudited condensed interim financial information for the half year ended December 31, 2024.
- 2.1.3** These condensed interim financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the modaraba's annual financial statements for the year ended June 30, 2025. These interim financial statements are unaudited but subject to limited scope review by the external auditors as required by the Code of Corporate Governance and are being submitted to the certificate holders as required under Rule 10 of the Modaraba Companies and Modaraba Rules, 1981.
- 2.1.4** The figures of the condensed interim statement of profit or loss and other comprehensive income for the quarters ended December 31, 2025 and December 31, 2024 and notes forming part thereof have not been reviewed by the statutory auditors of the modaraba, as they have reviewed the cumulative figures for the half year ended December 31, 2025 and December 31, 2024.

## **2.2 *Basis of measurement***

These financial statements have been prepared under the historical cost convention and have been prepared following accrual basis of accounting except for cash flow statement.

## **2.3 *Functional and presentation currency***

This condensed interim financial information is prepared in Pakistani Rupees which is the Modaraba's functional and presentation currency. The figures in this condensed interim financial information have been rounded off to the nearest rupee unless otherwise specified.

### 3 MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are the consistent with those applied in the preparation of the annual financial statements for the year ended June 30, 2025.

#### 3.1 Standards, interpretations and amendments to accounting and reporting standards as applicable in Pakistan which are effective in current period

Other than certain amendments updating a reference to the Conceptual Framework and annual improvements made to a number of standards, which have not been enumerated here for brevity, there were no other amendments made which are effective during the current period.

#### 3.2 Amendments to standards and IFRS interpretations that are not yet effective

The following amendments to accounting standards and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, interpretations and amendments are either not relevant to the Modaraba's operations or are not expected to have significant impact on the Modaraba's financial statements other than certain additional disclosures:

	<i>Effective from accounting period beginning on or after</i>
Amendments to IFRS 7 'Financial Instruments - Disclosures' and IFRS 9 'Financial Instruments': Amendments regarding the classification and measurement of financial instruments.	January 1, 2026
Amendments to IFRS 10 'Consolidated Financial Statements' and IAS 28 'Investments in Associates and Joint Ventures': Sale or contribution of assets between an investor and its associate or joint venture.	Effective from accounting period beginning on or after a date to be determined. Earlier application is permitted.
IFRS 17 - Insurance Contracts	January 1, 2026
IFRS 18 Presentation and Disclosures in Financial Statements (first time applicability)	January 1, 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures (first time applicability)	January 1, 2027
IFRS S1 - General Requirements for Disclosure of Sustainability-related Financial Information (applicable to listed companies and unlisted Public Interest Companies) (first time applicability)	July 1, 2026
IFRS S2 Climate-related Disclosures (applicable to listed companies and unlisted Public Interest Companies) (first time applicability)	July 1, 2026
Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates': Amendments regarding translations to a hyperinflationary presentation currency	January 1, 2027

Certain amendments updating a reference to the Conceptual Framework and annual improvements have also been made to a number of standards, which have not been enumerated here for brevity.

Other than the aforesaid standards, interpretations and amendments, the International Accounting Standards Board (IASB) has also issued the following standard which has not been adopted locally by the Securities and Exchange Commission of Pakistan:

IFRS 1 - First Time Adoption of International Financial Reporting Standards

#### **4 ACCOUNTING JUDGEMENTS AND ESTIMATES**

- 4.1** The preparation of this condensed interim financial information is in conformity with approved accounting standards which requires management to make estimates, assumptions and use of judgements that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.
- 4.2** The significant estimates, judgements and assumptions made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied to the annual audited financial statements as at and for the year ended June 30, 2025.

<b>5 PROPERTY AND EQUIPMENT</b>	<i>Note</i>	<i>December 31, 2025 (Un-audited)</i>	<i>June 30, 2025 (Audited)</i>
		----- (Rupees) -----	-----
<i>Following additions and disposals, at cost, were made</i>			
Opening fixed assets (net book value)		<b>15,072,279</b>	11,727,765
Additions	5.1	<b>9,675,320</b>	11,508,828
Disposals		<b>(46,535)</b>	(2,822,038)
Depreciation charge		<b>(3,194,419)</b>	(5,342,276)
Closing fixed assets (net book value)		<b><u>21,506,645</u></b>	<u>15,072,279</u>

- 5.1** It includes additions to vehicles amounting to Rs 4 million (June 30, 2025: 6.85 million) during the period.



## FIRST IMROOZ MODARABA

		<i>December 31,</i> <i>2025</i> <i>(Un-audited)</i>	<i>June 30,</i> <i>2025</i> <i>(Audited)</i>
	<i>Note</i>	----- <i>(Rupees)</i> -----	-----
<b>6 DEFERRED TAX</b>			
Deferred tax	6.1	-	-

**6.1** As per the guidelines issued by ICAP on application of IAS 12 'Application Guidance on Accounting for Minimum Taxes and Final Taxes', no deferred tax is required to be booked as the Modaraba, based on the projections of taxable income, expected to be taxed under Minimum Tax u/s 148 of the Income Tax Ordinance, 2001 for the foreseeable future. Hence the Modaraba has not recorded any deferred tax asset or liability as at 31 December 2025.

### **7 STOCK IN TRADE**

In hand		<b>329,817,553</b>	229,906,029
In bonded warehouse		<b>26,719,915</b>	169,548,627
In transit		<b>16,769,933</b>	53,495,424
Provision for slow moving and obsolete stock	7.1	<b>(3,838,093)</b>	(2,280,602)
		<b>369,469,308</b>	450,669,478

#### **7.1 Provision for slow moving and obsolete stock**

Opening Balance		<b>2,280,602</b>	4,622,544
Provision for period / year		<b>1,557,491</b>	-
Reversal of provision on account of sales during the period		-	(2,341,942)
Closing Balance		<b>3,838,093</b>	2,280,602

### **8 TRADE DEBTORS**

#### **Unsecured**

Considered good		<b>222,243,492</b>	204,651,757
Considered doubtful		<b>13,923,433</b>	12,254,747
		<b>236,166,926</b>	216,906,504
Less: Provision for expected credit losses	8.1	<b>(13,923,433)</b>	(12,254,747)
		<b>222,243,492</b>	204,651,757

#### **8.1 Provision for expected credit losses**

Opening balance		<b>12,254,747</b>	9,769,090
Provision made during the period / year		<b>1,668,686</b>	2,485,657
Closing balance		<b>13,923,433</b>	12,254,747



**FIRST IMROOZ MODARABA**

	<i>Note</i>	<i>December 31, 2025 (Un-audited)</i>	<i>June 30, 2025 (Audited)</i>
<b>9 CASH AT BANKS</b>		----- (Rupees) -----	
Saving account	9.1	<b>986,592</b>	1,961,980
Current accounts		<b>20,562,266</b>	588,481
		<b>21,548,858</b>	2,550,461

**9.1** It carries profit at the rate ranging from 7.19% to 7.99% (June 30, 2025: 7.25% to 8.93%) per annum.

**10 OBLIGATION UNDER DIMINISHING MUSHARKA**

Musharaka	10.1 & 15.2.4	<b>2,361,926</b>	3,150,398
Less: current portion of Musharaka		<b>(1,475,326)</b>	(1,573,486)
		<b>886,600</b>	1,576,912

**10.1** The Modaraba had obtained Diminishing Musharaka financing facility with a sanctioned limit of Rs. 10 million for the purchase of locally manufactured brand new / used commercial and non-commercial vehicles for Modaraba's / staff use. The facility carries profit at 1 year KIBOR plus 2.25% and is repayable within 3 to 5 years from the date of delivery of vehicle(s).

Musharaka financing facility registered specific hypothecation charge over vehicle(s) from Rs. 10 million, hire purchase agreement (HPA) marking over vehicle(s) in excise and taxation department acquired under Diminishing Musharaka arrangement and personal guarantees of directors of the Modaraba.

**11 CREDITORS, ACCRUED AND OTHER LIABILITIES**

Import bills payable	11.1	<b>192,727,960</b>	166,938,775
Creditors		<b>775,938</b>	2,062,614
Accrued liabilities		<b>2,780,828</b>	15,047,367
Unclaimed profit distribution		<b>8,689,015</b>	8,505,764
Sales Tax Payable		<b>1,007,219</b>	7,752,819
		<b>205,980,960</b>	200,307,339

**11.1** This includes Rs. 71.020 million (2025: 70.246 million) payable to Imilink limited - an associated company (related party) against the purchase of finished goods in the ordinary course of business. The outstanding balance is unsecured.



**FIRST IMROOZ MODARABA**

		<i>December 31, 2025 (Un-audited)</i>	<i>June 30, 2025 (Audited)</i>
		<i>Note ----- (Rupees) -----</i>	
<b>12 RUNNING MUSHARAKA FINANCING</b>			
<i>- Bank AL Habib Limited</i>			
<i>- Secured</i>			
Running Musharaka	12.1	<u><b>11,087,250</b></u>	<u>29,785,817</u>

**12.1** The Modaraba has availed Running Musharaka Financing facility from Bank AL Habib Limited with sanctioned limit of Rs. 30 million (June 30, 2025: Rs. 30 million). This facility has been obtained to finance working capital requirements of the Modaraba and carries profit at 1.5% plus 3 months average KIBOR (ask).

**13 MUSAWAMAH FINANCE**

*- Bank AL Habib Limited*

*- Secured*

Musawamah financing facility	13.1	<u><b>160,000,000</b></u>	<u>160,000,000</u>
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**13.1** The Modaraba has also availed Musawamah financing facility with total a available limit of Rs. 220 million (June 30, 2025: Rs. 220 million). The facility has been obtained to finance sale of inventory owned by the Modaraba. The facility carries profit of 1.5% over average KIBOR (ask) of corresponding tenor.

**14 QARD-E-HASANA FROM MODARABA MANAGEMENT COMPANY**

*Related party (an associated company) -  
unsecured & interest free*

Modaraba management company	14.1	<u><b>27,500,000</b></u>	<u>3,000,000</u>
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**14.1** This represents unsecured and interest free loan obtained from AR Management Services (Private) Limited (Modaraba Management Company) - an associated company (related party) to meet working capital requirements of the Modaraba and is repayable on demand. The loan does not qualify as a "subordinated fund" to classify as equity in accordance with the requirements of the Modaraba Regulations, 2021. Accordingly, it has been classified as a financial liability in these financial statements.

**15 CONTINGENCIES AND COMMITMENTS**

**15.1** There are no major changes in the status and nature of contingencies and commitments as disclosed in the annual audited financial statements of the Company for the year ended June 30, 2025, except for the following:

**15.2** The Modaraba has issued post dated cheques to Collector of Customs amounting to Rs. 18.41 million (June 30, 2025: Rs.113.162 million) on account of custom dues and taxes on goods at bonded warehouse.



**FIRST IMROOZ MODARABA**

	<i>December 31, 2025 (Un-audited)</i>	<i>December 31, 2024 (Un-audited)</i>
<b>16 FINANCIAL CHARGES</b>		
Running Musharaka charges	<b>674,318</b>	441,280
Diminishing Musharaka	<b>214,594</b>	143,786
Musawamah charges	<b>10,230,816</b>	13,173,907
Morabaha charges	-	349,733
	<b><u>11,119,728</u></b>	<b><u>14,108,706</u></b>

**17 FINANCIAL RISK MANAGEMENT AND FAIR VALUE DISCLOSURES**

These condensed interim financial statement do not include all financial risk management information and disclosures which are required in the annual financial statements and should be read in conjunction with the company's annual financial statements for the year end June 30, 2025. There have been no change in any risk management policies since the year end.

**18 FAIR VALUE OF FINANCIAL INSTRUMENTS**

As at period ended December 31, 2025, the Modaraba does not hold any financial asset or liability measured at fair value. Therefore, fair value hierarchies have not been disclosed.

Further, carrying value of all financial assets and liabilities reflected in the condensed interim financial information approximate their fair value.

**19 RELATED PARTY TRANSACTIONS**

The related parties of the Modaraba include the management company, associated undertakings, directors of the management company and key management personnel. Significant transactions with related parties are as follows:

Dividend paid to Modaraba Management Company	<b>9,000,000</b>	9,000,000
Dividend paid to key management personnel	<b>12,505,500</b>	12,505,500
Share of common expenses to group companies	<b>1,237,475</b>	602,918
Payments against common expenses to group companies	<b>(1,237,475)</b>	(602,918)
Warehouse rent expense to group companies	<b>2,160,000</b>	2,910,000
Payments against warehouse rent to group companies	<b>(2,160,000)</b>	(2,910,000)
Receipt of Qard-e-Hasana from Modaraba Management Company	<b>121,500,000</b>	86,000,000
Repayment of Qard-e-Hasana to Modaraba Management Company	<b>(97,000,000)</b>	(56,000,000)



## FIRST IMROOZ MODARABA

### **20 GENERAL**

**20.1** Figures in these condensed interim financial statements have been rounded off to the nearest Rupees, unless otherwise stated.

**20.2** Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and for better presentation. However, there are no material reclassifications to report.

### **21 DATE OF AUTHORIZATION FOR ISSUE**

These condensed interim financial information was authorised for issue on **25 February 2026** by the Board of Directors of the Modaraba Management Company M/s. A R Management Services (Private) Limited.

**For A R Management Services (Private) Limited  
(Modaraba Management Company)**

*Naveed Riaz*  
*Chief Executive*

*Ameed Riaz*  
*Director*

*Sheheryar Ali*  
*Chief Financial Officer*