FIRST NATIONAL BANK MODARABA
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2026

	Note	2026 Rupees	2025 Rupees
ASSETS			
CURRENT ASSETS			
Cash and bank balances	5	**4,171,405**	9,483,517
Short term murabaha investments - secured	6	**1,772,953**	1,772,953
Accrued profit	7	**3,560,584**	4,004,983
Short term investments	8	**354,012,983**	331,775,000
Ijarah rentals receivable	9	**11,804,532**	11,804,532
Prepayments and other receivables	10	**1,406,586**	1,248,025
Income tax recoverable/ adjustable		**20,479,936**	14,305,990
Current portion of non-current assets	11	**5,975,887**	6,655,511
		403,184,866	381,050,511
NON-CURRENT ASSETS			
Net investment in ijarah finance	12	**7,144,909**	8,991,704
Long term murabaha investments - secured	13	**-**	2,273,581
Long term deposit		**37,500**	39,500
Intangible asset	14	**-**	-
Fixed assets under ijarah arrangements	15	**32,949,326**	32,949,326
Fixed assets under own use	16	**29,173**	117,704
		40,160,908	44,371,815
TOTAL ASSETS		**443,345,774**	425,422,326
LIABILITIES			
CURRENT LIABILITIES			
Accrued profit on short term financing		**216,702,675**	191,085,330
Short term financing - secured	17	**217,063,388**	217,063,388
Creditors, accrued and other liabilities	18	**5,500,061**	8,419,322
Unclaimed dividend		**425,218**	425,218
Security deposits against ijarah assets		**32,996,026**	32,996,026
Deferred murabaha income	19	**-**	-
Provision for taxation	29	**540,491**	961,523
TOTAL LIABILITIES		**(473,227,859)**	(450,950,807)
NET LIABILITIES		**(29,882,085)**	(25,528,481)
FINANCED BY:			
Certificate capital	20	**250,000,000**	250,000,000
Statutory reserve	21	**45,519,244**	45,519,244
Accumulated loss		**(325,401,329)**	(321,047,725)
TOTAL EQUITY AND RESERVES		**(29,882,085)**	(25,528,481)
CONTINGENCIES AND COMMITMENTS	22	-	-

The annexed notes 1 to 38 form an integral part of these financial statements.

Stamped for Identification
RSRIR CAs

CHIEF EXECUTIVE OFFICER	DIRECTOR	DIRECTOR	CHIEF FINANCIAL OFFICER
National Bank Modaraba Management Company Limited	National Bank Modaraba Management Company Limited	National Bank Modaraba Management Company Limited	National Bank Modaraba Management Company Limited

FIRST NATIONAL BANK MODARABA
STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2026

	Note	2026 Rupees	2025 Rupees
INCOME FROM OPERATIONS			
Profit on bank deposits		376,999	396,448
Profit on short term investments	23	32,390,858	40,452,229
		32,767,857	40,848,677
OTHER INCOME			
Reversal of provision charged for doubtful receivables	27	461,867	1,888,721
Suspension reversed during the year		5,713,389	6,375,174
Other income	24	-	26,166
		6,175,256	8,290,061
TOTAL INCOME		38,943,113	49,138,738
EXPENSES			
Operating expenses	25	(17,627,680)	(16,304,713)
Finance cost	26	(25,639,154)	(34,286,209)
TOTAL EXPENSES		(43,266,834)	(50,590,922)
OPERATING LOSS BEFORE PROVISIONS AND TAXATION		(4,323,721)	(1,452,184)
Provision charged for doubtful receivables	27	-	(849,177)
LOSS BEFORE MANAGEMENT COMPANY'S FEE		(4,323,721)	(2,301,361)
Modaraba Management Company's fee	28	-	-
LOSS BEFORE LEVIES AND INCOME TAX		(4,323,721)	(2,301,361)
Levies	29	(540,491)	(961,523)
LOSS BEFORE INCOME TAX		(4,864,212)	(3,262,884)
Taxation - Income tax	30	510,608	(696,742)
LOSS FOR THE YEAR		(4,353,604)	(3,959,626)
OTHER COMPREHENSIVE LOSS - NET OF INCOME TAX			
Items that may be reclassified subsequently to the statement of profit and loss		-	-
Items that will not be reclassified subsequently to the statement of profit and loss			
- Unrealised loss on revaluation of sukuks		-	(723,859)
Other comprehensive loss for the year		-	(723,859)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		(4,353,604)	(4,683,485)
LOSS PER MODARABA CERTIFICATE - BASIC AND DILUTED	31	(0.17)	(0.16)

The annexed notes 1 to 38 form an integral part of these financial statements.

Stamped for Identification RSRIR CAs

CHIEF EXECUTIVE OFFICER	DIRECTOR	DIRECTOR	CHIEF FINANCIAL OFFICER
National Bank Modaraba Management Company Limited	National Bank Modaraba Management Company Limited	National Bank Modaraba Management Company Limited	National Bank Modaraba Management Company Limited

FIRST NATIONAL BANK MODARABA
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2026

Particulars	Certificate capital	Statutory reserve	Accumulated loss	Subtotal	Unrealised loss on revaluation of sukuks	Total equity and reserves
	----------	----------	----------	Rupees	----------	----------
Balance as at 01 July 2024	250,000,000	45,519,244	(314,583,212)	(19,063,968)	(1,781,028)	(20,844,996)
Total comprehensive loss :						
Loss for the year	-	-	(3,959,626)	(3,959,626)	-	(3,959,626)
Other comprehensive loss for the year	-	-	-	-	(723,859)	(723,859)
Transfer from unrealized loss on revaluation of sukuks to accumulated loss	-	-	(2,504,887)	(2,504,887)	2,504,887	-
	-	-	(6,464,513)	(6,464,513)	1,781,028	(4,683,485)
Transferred to statutory reserve (note 22)	-	-	-	-	-	-
Balance as at 30 June 2025	250,000,000	45,519,244	(321,047,725)	(25,528,481)	-	(25,528,481)
Total comprehensive loss :						
Loss for the year	**-**	**-**	**(4,353,604)**	**(4,353,604)**	**-**	**(4,353,604)**
Other comprehensive loss for the year	**-**	**-**	**-**	**-**	**-**	**-**
	-	**-**	**(4,353,604)**	**(4,353,604)**	**-**	**(4,353,604)**
Transferred to statutory reserve (note 22)	**-**	**-**	**-**	**-**	**-**	**-**
Balance as at 30 June 2026	**250,000,000**	**45,519,244**	**(325,401,329)**	**(29,882,085)**	**-**	**(29,882,085)**

The annexed notes 1 to 38 form an integral part of these financial statements.

Stamped for Identification
RSRIR
CAs

CHIEF EXECUTIVE OFFICER
National Bank Modaraba Management Company Limited

DIRECTOR
National Bank Modaraba Management Company Limited

DIRECTOR
National Bank Modaraba Management Company Limited

CHIEF FINANCIAL OFFICER
National Bank Modaraba Management Company Limited

FIRST NATIONAL BANK MODARABA
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2026

	Note	2026 Rupees	2025 Rupees
CASH FLOWS FORM OPERATING ACTIVITIES			
Loss before levies and income tax		(4,323,721)	(2,301,361)
Adjustments for non-cash and other items:			
- Depreciation on fixed assets under own use	16	88,531	95,823
- Profit on short term investments	23	(32,390,858)	(40,452,229)
- Charge of provision against doubtful net investment in ijarah finance		-	849,177
- Reversal of provision charged on short term murabaha investments	6.2	-	(1,727,541)
- Reversal of provision charged on net investment in ijarah	27	(461,867)	-
- Reversal of provision on dimnishing musharaka financing		-	(161,180)
- Suspension reversed during the year		(5,713,389)	(6,375,174)
- Finance cost	26	25,639,154	34,286,209
- Profit on bank deposits		(376,999)	(396,448)
		(13,215,428)	(13,881,363)
Operating cash flows before working capital changes		(17,539,149)	(16,182,724)
Changes in working capital:			
Decrease/ (increase) in current assets:			
- Accrued profit		32,835,257	44,949,040
- Ijarah rentals receivable		5,713,389	8,176,090
- Advances, prepayments and other receivables		(158,561)	(287,501)
- Short term murabaha investments - secured		-	1,727,541
- Diminishing musharaka financing		-	161,180
- Income tax recoverable/ adjustable		(6,173,946)	1,046,348
- Long term murabaha investments - secured	13.1	4,800,000	4,800,000
- Long term deposit		2,000	-
- Net investment in ijara financing		461,867	-
Decrease in current liabilities:			
- Creditors, accrued and other liabilities		(2,919,261)	(307,999)
Net changes in working capital		34,560,745	60,264,699
		17,021,596	44,081,975
Finance cost paid	26	(21,809)	(19,298)
Levies paid		(450,915)	(465,439)
Income taxes paid		-	(7,542,019)
Profit received on bank deposits		376,999	396,448
Net cash generated from operating activities		16,925,871	36,451,667
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment made in fixed assets - under own use		-	(22,900)
Short term investments - net		(22,237,983)	(36,655,500)
Net cash used in investing activities		(22,237,983)	(36,678,400)
CASH FLOWS FROM FINANCING ACTIVITIES		-	-
Net decrease in cash and cash equivalents		(5,312,112)	(226,733)
Cash and cash equivalents at the beginning of the year		9,483,517	9,710,250
Cash and cash equivalents at the end of the year	5	4,171,405	9,483,517

The annexed notes 1 to 38 form an integral part of these financial statements.

Stamped for Identification RSRIR CAs

CHIEF EXECUTIVE OFFICER	**DIRECTOR**	**DIRECTOR**	**CHIEF FINANCIAL OFFICER**
National Bank Modaraba Management Company Limited	National Bank Modaraba Management Company Limited	National Bank Modaraba Management Company Limited	National Bank Modaraba Management Company Limited

Report on other legal and regulatory requirements

Based on our audit, we further report that in our opinion:

a) proper books of account have been kept by the Modaraba Company in respect of the Modaraba as required by the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 (XXXI of 1980);

b) the statement of financial position, the statement of profit and loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 (XXXI of 1980) and are in agreement with the books of account;

c) business conducted, investments made, expenditure incurred and guarantees extended during the year by the Modaraba were in accordance with the objects, terms and conditions of the Modaraba; and

d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditors' report is Mr. Adnan Rasheed.

Rahman Sarfaraz Rahim Iqbal Rafiq
Chartered Accountants
Lahore:
UDIN: AR202610701HZgw9fXpn