



Popular Islamic Modaraba
An Islamic Financial Institution

Quarterly Accounts

September 30, 2026

(Un-Audited)

Managed By:

Popular Islamic Modaraba
Management Company (Pvt.) Limited



Popular Islamic Modaraba

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CORPORATE INFORMATION

BOARD OF DIRECTORS	Mr. Imamuddin Shouqeen Mr. Shahbaz Ali Malik Mr. Khurram Abdullah Mr. Abdul Jaleel Shaikh Mr. Malik Junaid Emam Mr. Kamran Hussain Mughal Ms. Aisha Mughal	- Chairperson & Director - Managing Director - Independent Director - Independent Director - Director - Chief Executive - Director & Company Secretary
AUDIT COMMITTEE	Mr. Khurram Abdullah Mr. Shahbaz Ali Malik Mr. Malik Junaid Emam	- Chairman - Member - Member
HR COMMITTEE	Mr. Khurram Abdullah Mr. Malik Junaid Emam Kamran Hussain Mughal	- Chairman - Member - Member
SHARIAH ADVISOR	Al-Hamd Shariah Advisory Services (Pvt.) Limited	
COMPANY SECRETARY	Ms. Aisha Mughal	
CHIEF FINANCIAL OFFICER	Mr. Ghulam Mustafa	
BANKERS	Albaraka Bank (Pakistan) Limited	
AUDITORS	BKR International Muniff Ziauddin & Co. Chartered Accountant	
LEGAL ADVISOR	Syed Sikandar Ali Shah - Advocate M/s. Shah Associates	
MANAGEMENT COMPANY	Popular Islamic Modaraba Management Company (Pvt.) Ltd	
REGISTERED OFFICE	406-410, 4th Floor, Hasrat Mohani Road, Off. I.I.Chundrigar Road, Karachi.	
SHARE REGISTRAR	Central Depository Company of Pakistan CDC House, 99-B, Block 'B', S.M.C.H.S., Main Shahra-e-Faisal, Karachi	



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DIRECTORS' REPORT

The Board of Directors of the Popular Islamic Modaraba Management Company (Pvt.) Limited, the Management Company of Popular Islamic Modaraba ("Modaraba"), is pleased to present the unaudited financial statements of the Modaraba for first quarter ended September 30, 2026.

The summarized financial results for the quarter ended September 30, 2026 are as under:

	Un-Audited Sep-26	Un-Audited Sep-25
	(Rupees)	
Income	8,039,609	8,199,666
Operating expenses	(1,743,015)	(1,507,921)
Depreciation of Ijarah Assets	(455,630)	(776,116)
Profit before management fee	5,840,964	5,915,629
Management Fee	(292,048)	(295,781)
Sales tax on management fee	(43,807)	(38,452)
Profit before taxation	5,505,109	5,581,396
Taxation	(1,596,482)	(1,618,605)
Profit after taxation	3,908,627	3,962,791
Earning per certificate - basic & diluted	0.20	0.20

Review of Operations:

During the first quarter ended September 30, 2026, Popular Islamic Modaraba delivered a stable operational performance, recording an un-audited total income of PKR 8,039,609 compared to PKR 8,199,666 in the corresponding period last year. While inflationary pressures led to a minor increase in operating expenses to PKR 1,743,015, this was effectively cushioned by a significant 41.3% reduction in depreciation on Ijarah assets, which dropped to PKR 455,630. Consequently, the Modaraba successfully sustained its core profitability, closing the quarter with a Profit After Taxation of PKR 3,908,627 (Sep-25: PKR 3,962,791) and maintaining a resilient and perfectly steady Earnings Per Certificate of PKR 0.20, showcasing strong defensive value for certificate holders despite competitive macroeconomic conditions.

Future Outlook:

The Modaraba's management is proactively adapting its deployment strategies to navigate the changing macroeconomic landscape. Through the implementation of cutting-edge business practices and agile asset-pricing models, our primary objective remains the optimization of profitability to deliver enhanced returns to our valued Certificate holders. We continue to strive for the most effective and efficient utilization of our capital reserves, while carefully and strategically leveraging the balance sheet to source, record, and steadily expand a high-quality portfolio of Shariah-compliant assets.

Acknowledgement:

The Modaraba has enjoyed the valuable guidance and support of Registrar Modarabas, Securities and Exchange Commission of Pakistan and Pakistan Stock Exchange for their cooperation, support and guidance from time to time, and wishes to enjoy the same in future as well.

For and on behalf of the Board

Kamran Hussain Mughal
Chief Executive Officer

October 23, 2026
Karachi.



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ڈائریکٹرز کی رپورٹ برائے سرمایہ 30 ستمبر 2026

پاپلر اسلامک مضاربہ منجمنٹ کمپنی (پرائیوٹ) لمیٹڈ جو پاپلر اسلامک کی منجمنٹ کمپنی ہے، اس کے بورڈ آف ڈائریکٹرز اپنے سرٹیفکیٹ ہولڈرز کو بہ مسرت ڈائریکٹرز کی رپورٹ برائے سرمایہ 30 ستمبر 2026 پیش کرتے ہیں۔

نمایاں مالیاتی نتائج:

برائے ستمبر 2026	برائے ستمبر 2025	
----- (روپے) -----		
8,039,609	8,199,666	آمدنی
(1,743,015)	(1,507,921)	آپریٹنگ اخراجات
(455,630)	(776,116)	اجارہ اثاثوں کی فروشی کے اخراجات (ڈیپریسی ایشن)
5,840,964	5,915,629	منافع قبل از منجمنٹ فیس
(292,048)	(295,781)	منجمنٹ فیس
(43,807)	(38,452)	منجمنٹ فیس پر سلیکٹس
5,505,109	5,581,396	نفع قبل از ٹیکس
(1,596,482)	(1,618,605)	ٹیکس
3,908,627	3,962,791	نفع بعد از ٹیکس
0.20	0.20	آمدنی فی سرٹیفکیٹ

کاروبار کا جائزہ:

پچھلے سرمایہ کے دوران مضاربہ کی کارکردگی قدرتی پیش رہی، مضاربہ نے گزشتہ مدت کے 8.199 ملین آمدنی کے مقابلے میں 8.039 ملین کی آمدنی دیکھائی۔ بعد از ٹیکس آمدنی 3.908 ملین روپے رہی جو کہ گزشتہ مدت کی آمدنی کے تقریباً برابر ہے۔ آمدنی فی سرٹیفکیٹ 0.20 پیسہ ریکارڈ کی گئی جو کہ مسابقتی معاشی حالات کے باوجود قدرے مستحکم اور برقرار رہی۔

مستقبل کے امکانات:

KIBOR ریٹ کم ہونے کے بعد مضاربہ کی انتظامیہ اس صورتحال سے نمٹنے کیلئے نصوص اقدامات کر رہی ہے اور جدید کاروباری طریقہ کار اپنا رہی ہے۔ انتظامیہ کی بنیادی توجہ منافع کو بڑھانے پر ہے تاکہ اپنے سرٹیفکیٹ ہولڈرز کو بہترین منافع دے سکے۔ اپنے وسائل کا زیادہ سے زیادہ اور موثر استعمال کر کے آہستہ آہستہ اچھے معیار کے اثاثوں کا پورٹ فولیو بنانا تاکہ اپنی ٹیلیس شیٹ کو بہتر بنایا جاسکے۔

اعتراف:

مضاربہ منجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز کی پیشکش اور پاکستان اسٹاک ایکسچینج کی رہنمائی اور تعاون کا اور مستقبل میں بھی اس کی امید رکھتا ہے۔

منجانب بورڈ



کامران حسین منغل

چیف ایگزیکٹو

23 اکتوبر 2026



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BALANCE SHEET (UN-AUDITED) AS AT SEPTEMBER 30, 2026

Un-audited
Sep-26
Audited
Jun-26
(RUPEES)

ASSETS

NON CURRENT ASSETS

Property and equipment - owned	9,074	10,448
Property and equipment - ijarah	2,252,046	2,706,302
Diminishing Musharaka	116,643,747	99,018,580
Deferred tax asset-net	5,109,564	5,109,564
	124,014,431	106,844,894

CURRENT ASSETS

Morabaha finance	33,896,429	10,056,078
Current portion of Diminishing Musharakah	65,155,602	77,598,647
Advances and other receivables	19,664,311	20,604,823
Cash and bank balances	25,555,502	15,366,500
	144,271,845	123,626,047

TOTAL ASSETS

268,286,276	230,470,941
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EQUITY AND LIABILITIES

Authorized certificate capital

20,000,000 (2025: 20,000,000) modaraba
certificates of Rs. 10 each

200,000,000	200,000,000
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Certificate holders' equity

Certificate capital	200,000,000	200,000,000
Statutory reserve	28,982,350	28,982,350
Accumulated profit	(10,697,361)	(14,605,989)
	218,284,989	214,376,361

NON-CURRENT LIABILITIES

Security deposits against Ijarah	718,280	718,280
Deferred liability	3,058,460	3,058,460
	3,776,740	3,776,740

CURRENT LIABILITIES

Accrued and other liabilities	1,463,218	1,488,847
Current portion of security deposits	725,070	725,070
Charity payable	-	-
Advance Rentals Received	787,377	787,377
Provision for taxation	5,721,091	4,124,609
Unclaimed profit distribution	4,074,569	4,074,569
Loan from management company	32,000,000	-
Management fee payable	1,263,672	971,624
Sales tax on management fee	189,551	145,744

TOTAL LIABILITIES

46,224,547	12,317,840
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CONTINGENCIES & COMMITMENTS

-	-
268,286,276	230,470,941

For Popular Islamic Modaraba Management Company (Private) Limited
(Management Company)

CHIEF EXECUTIVE

CHIEF FINANCIAL OFFICER

DIRECTOR

DIRECTOR



Popular Islamic Modaraba

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PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2026

	Un-Audited Sep-26 (RUPEES)	Un- Audited Sep-25 (RUPEES)
Income	7,770,660	8,056,503
Operating expenses	(1,743,015)	(1,507,921)
Depreciation of Ijarah Assets	(455,630)	(776,116)
Operating profit	5,572,015	5,772,466
Other Income	268,949	143,163
Profit before management fee	5,840,964	5,915,629
Management fee	(292,048)	(295,781)
Sales tax on management fee	(43,807)	(38,452)
	(335,855)	(334,233)
Profit before taxation	5,505,109	5,581,396
Taxation	(1,596,482)	(1,618,605)
Profit after taxation	3,908,627	3,962,791
Other comprehensive income	-	-
Total comprehensive income	3,908,627	3,962,791
Earnings per certificate - basic & diluted	0.20	0.20

For Popular Islamic Modaraba Management Company (Private) Limited
(Management Company)

CHIEF EXECUTIVE

CHIEF FINANCIAL OFFICER

DIRECTOR

DIRECTOR



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CASH FLOW STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2026

	Un-audited Sep-26 (RUPEES)	Un-audited Sep-25 (RUPEES)
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	5,505,109	5,581,396
Adjustments for:		
Depreciation expense	1,374	1,374
Depreciation of assets leased out under ijarah	454,256	776,116
	455,630	777,490
Operating profit before working capital changes	5,960,739	6,358,886
Decrease / (Increase) in current assets		
Current portion of morabaha finance	(23,840,351)	(3,517,041)
Current portion of long term investment D.M	12,443,044	4,392,106
Advances and other receivables	940,512	(7,750,236)
	(10,456,795)	(6,875,171)
Increase/(decrease) in current liabilities		
Accrued and other liabilities	(28,670)	48,644
Management fee payable	292,048	295,781
Sales tax on management fee	43,807	38,452
	307,185	382,877
Net cash generated from operation	(4,188,871)	(133,409)
CASH FLOW FROM INVESTING ACTIVITIES		
Ijarah assets transfer-net	23,843,392	4,149,126
Security deposit from ijarah	-	(421,400)
Investment in murabaha finance	(23,840,351)	(3,517,041)
Investment in diminishing musharakah	(17,625,167)	(2,674,462)
Net cash generated / (used in) investing activities	(17,622,126)	(2,463,777)
CASH FLOW FROM FINANCING ACTIVITIES		
Loan from management co.	32,000,000	15,000,000
	-	-
	32,000,000	15,000,000
Net increase in cash & cash equivalent	10,189,002	12,402,816
Cash and cash equivalents at the beginning of the year	15,366,500	3,933,088
Cash and cash equivalents at the end of the year	25,555,502	16,335,903

For Popular Islamic Modaraba Management Company (Private) Limited
(Management Company)

CHIEF EXECUTIVE

CHIEF FINANCIAL OFFICER

DIRECTOR

DIRECTOR



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STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2026

	Certificate Capital	Statutory Reserve	Accumulated profit	Advance against equity	Total
	----- (Rupees) -----				
Balance as at June 30, 2025	200,000,000	28,982,350	(9,641,924)	-	219,340,425
Profit for the Year	-	-	15,035,936	-	15,035,936
Additional in paidup capital	-	-	-	-	-
Dividend on profit	-	-	(20,000,000)	-	(20,000,000)
Further issue of shares	-	-	-	-	-
Balance as at June 30, 2026	200,000,000	28,982,350	(14,605,989)	-	214,376,361
Profit for the Period	-	-	3,908,627	-	3,908,627
Additional in paidup capital	-	-	-	-	-
Advance against equity	-	-	-	-	-
Dividend on profit	-	-	-	-	-
Balance as at September 30, 2026	200,000,000	28,982,350	(10,697,361)	-	218,284,989

For Popular Islamic Modaraba Management Company (Private) Limited
(Management Company)

CHIEF EXECUTIVE

CHIEF FINANCIAL OFFICER

DIRECTOR

DIRECTOR



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NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2026

1. LEGAL STATUS AND NATURE OF BUSINESS

Popular Islamic Modaraba is a multipurpose, perpetual Modaraba formed under the Modaraba and Modaraba (floatation and control) Ordinance, 1980 and the rules framed there under and is managed by the Popular Islamic Modaraba Management Company (Private) Limited, a company incorporated in Pakistan under the Companies Ordinance, 1984 and registered with Registrar of Modaraba Companies. The registered office of the modaraba is situated at 406-410, 4th Floor, Chapal Plaza, Hasrat Mohani Road, Off I.I. Chundrigar Road, Karachi. The Modaraba is listed on the Pakistan Stock Exchange.

The Modaraba is engaged in various Islamic modes of financing and business including Ijarah, Diminishing Musharakah, Murabahah, also considering for trading in listed securities and other commodities.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Act, 2017. The requirements of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules, 1981 and directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, the Modaraba Rules 1981 and directives issued by the SECP differ with the requirements of IFRS, the requirements of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, the Modaraba Rules 1981 or directives issued by the SECP prevail.

3. BASIS OF MEASUREMENT

These financial statements have been prepared under the historical cost convention except for certain financial assets which are stated at fair value.

These Condensed interim financial statements are unaudited and being submitted to Certificate Holders as required under Rule 10 of Modaraba Companies and Modaraba Rules 1981.

4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted by the Modaraba in the preparation of these condensed interim financial information are the same as those applied in preparation of the preceding published financial statements of the Modaraba for the year ended June 30, 2026.

	Un-audited September 30, 2026	Audited June 30, 2026
	(Rupees)	
5. PROPERTY & EQUIPMENTS - (OWNED)		
Book value at the beginning of the period/year	10,448	89,151
Depreciation charged	(1,374)	(78,703)
Book value at the end of the period/year	<u>9,074</u>	<u>10,448</u>
6. PROPERTY & EQUIPMENTS - (IJARAH)		
Book value at the beginning of the period/year	2,706,302	6,475,296
Deletion - net	-	(1,421,078)
Depreciation charged	(454,256)	(2,347,916)
Book value at the end of the period/year	<u>2,252,046</u>	<u>2,706,302</u>

7. CONTINGENCIES & COMMITMENTS

Contingencies and commitments are those as disclosed in the audited financial statements for the year ended June 30, 2026.

8. RELATED PARTY TRANSACTIONS

The related parties comprise of associated undertakings, directors of the Modaraba Management Company. The Modaraba, in the normal course of business carries out transactions with these related parties. Significant transactions with related parties are as follows:

Nature of Transaction	Relationship with the Company		
Management fee	Management company	292,048	971,624
		<u>292,048</u>	<u>971,624</u>

9. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorized for issue on October 23, 2026 by the Board of Directors of Popular Islamic Modaraba Management Company (Private) Limited.

10. General

Figures have been rounded off to the nearest Rupee.

The annexed notes from 1 to 10 form an integral part of these condensed interim financial information.

CHIEF EXECUTIVE

CHIEF FINANCIAL OFFICER

DIRECTOR

DIRECTOR