



OLP MODARABA (OLPM)

Corporate Briefing Session 2025-26

Performance for the year ended June 30, 2026 and outlook

Wednesday, October 28, 2026 • 12:15 p.m.

Iqbal Auditorium, National Institute of Banking and Finance (NIBAF), M.T. Khan Road, Karachi

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01

Modaraba Profile



Brief profile of OLP Modaraba

OLP Modaraba began operations in 1987 as First Grindlays Modaraba, became Standard Chartered Modaraba in 2004 and joined the ORIX Group of Japan in 2016. It was renamed OLP Modaraba in 2022.

It is a perpetual, Shariah-compliant modaraba financing plant and machinery, vehicles, equipment and housing through Diminishing Musharakah and Ijarah, for corporates, SMEs, high-net-worth individuals and employees of selected corporate clients.

It operates under the supervision of the Registrar Modaraba (SECP) and a Shariah Advisor.

Head Office is located in Karachi with branches in Lahore and Islamabad.

Operating since 1987

39 years
of Shariah-compliant financing

VIS entity rating

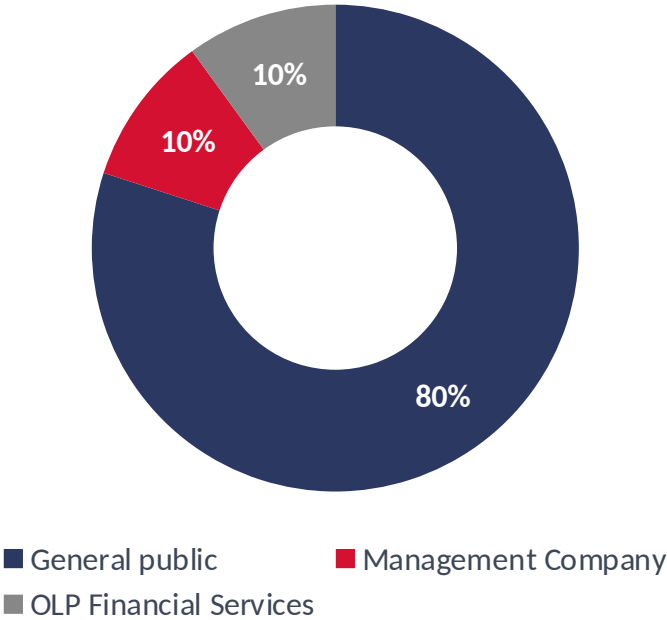
AA / A1+

Long term / short term, stable outlook

Group structure



Certificate holding



OLP Financial Services Pakistan Limited exercises full control through the Management Company, Its combined shareholding in OLP Modaraba is 20%.

Source: Annual Report 2026

VISION

Our vision is to be the leading Shariah compliant financial services entity by constantly anticipating market needs with the aim to create value for stakeholders.

MISSION

Our mission is to meet the client needs by ensuring service quality, care for the environment, providing growth opportunities to our employees and creating value for our certificate holders

CORE VALUES



INTEGRITY

We promote honesty and fairness in all our actions.



CLIENTS FOCUS

We are because of our clients and our success lies in their satisfaction.



TEAMWORK

We work together to create synergies.



INNOVATION

We seek continuous improvement and encourage creativity.



RESPECT

We respect each other's feelings and opinions.



OWNERSHIP

We protect the interest of the Modaraba as if it is our own Business.

02

Governance

Board of Directors of the Management Company

Director	Category	Committee roles
Mr. Shaheen Amin *	Chairman, Non-Executive	Chairman Risk Committee; Member HR&R
Mr. Waqas Ahmad Khwaja	CEO, Executive	Member Risk and HR&R Committees
Mr. Yacoob Suttar	Independent Director	Chairman Audit Committee
Mr. Ahmad Kamal	Independent Director	Chairman HR&R Committee
Mr. Ramon Alfrey	Non-Executive	Member Audit, Risk and HR&R
Mian Faysal Riaz	Non-Executive	Member Audit and Risk
Ms. Nosheen Iqbal	Non-Executive (Female Director)	–

New Board was elected on May 8, 2026 for three years tenor effective from May 9, 2026. Eight Board and six Audit Committee meetings were held in FY2026.

** Mr. Shaheen Amin has resigned with effect from October 23, 2026. Mr. Khalid Aziz has been appointed Chairman and member of the Board, subject to the approval of the Registrar Modaraba. Until then, Mr. Yacoob Suttar has been appointed as Acting Chairman of the Board.*

SWOT analysis

Strengths

- Experienced management in Shariah-Compliant Finance
- AA / A1+ rating, sound governance and prudent risk management
- Diversified Islamic product range for corporates and SMEs
- Strong reputation and backing of the ORIX / OLP group

Weaknesses

- Limited ability to mobilize public deposits
- Higher costs of regulatory and Shariah compliance
- Impact of economic conditions and corporate demand
- Limited digital offerings versus banks and Fintech Companies

Opportunities

- Surge in sales of 4-wheelers and launch of locally assembled vehicles
- Growth in SMEs, Renewable Energy
- Growing acceptance of Islamic finance
- Government support for financial inclusion and Islamic finance
- Digital transformation and Fintech Partnerships

Threats

- Increasing Competition from Islamic banks and fintechs
- Inflation, exchange-rate volatility and rising business costs
- Higher taxation and regulatory requirements
- Potential rise in non-performing financings

Risk governance

A Board-approved Risk Management Framework sets OLPM's risk appetite, assessment methods, monitoring and reporting, keeping business activity within defined risk boundaries.

Board level

Board Risk Committee approves risk appetite and oversees the framework. Audit Committee oversees internal controls.

Management level

Management Committee (MANCO), Country Operational Risk Committee and Principals Committee review risks and the operating environment.

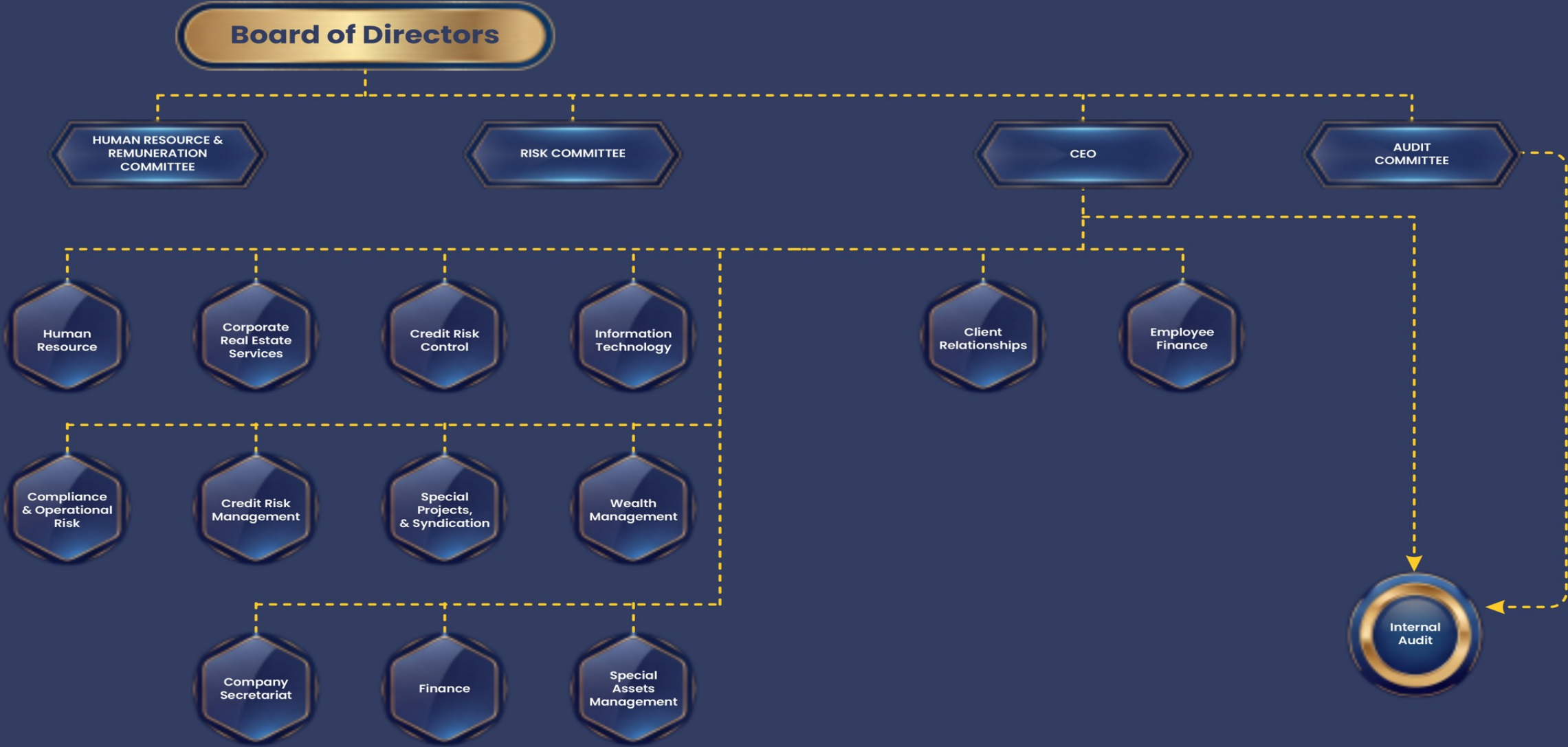
Monitoring

Monthly ALCO on liquidity and funding. Early Alert and SAM Committees review overdue accounts monthly, with weekly regional follow-ups.

03

Operations

OLPM ORGANOGRAM



Offices and people

Head Office, Karachi

Office No. 601, 6th Floor, Syedna Tahir Saifuddin Memorial Foundation Building, Beaumont Road, Civil Lines, Karachi

Tel: (021) 38341168

Lahore Branch

Office No. 08, 1st Floor, Park Lane Tower (Mall of Lahore), 172 Tufail Road, Lahore Cantt.

Tel: (042) 38017006

Islamabad Branch

Ground Floor, Phase 1, State Life Building No. 5, Nazimuddin Road, Blue Area, Islamabad

Tel: (051) 2824232

Total headcount, June 30, 2026

55

42 full time and 13 contractual

Women in the team

25%

OLPM products

Diminishing Musharakah

Joint ownership of an asset; the client buys out OLPM's share over time. Core product.

House Finance DM

Home purchase, construction or renovation under Diminishing Musharakah.

Ijarah

Islamic leasing of vehicles, plant and equipment.

Murabaha

Cost-plus sale of assets or commodities, paid in instalments.

Salam

Advance payment for goods delivered later, for working capital needs.

Istisna

Financing for assets that need to be manufactured or built.

Syndicate Financing

Large facilities arranged with other financial institutions.

Certificate of Musharakah

Profit-sharing investment for investors; OLPM's main funding source.

Key business risks

Funding Risk

Shortage or rising cost of funds could limit disbursements.

Managed through long-term bank lines, a growing Certificate of Musharakah base and monthly ALCO reviews.

Credit and Default risk

Clients' repayment capacity may deteriorate.

Managed through Early Alert and SAM committees, weekly overdue meetings and tailored recovery plans.

Regulatory and Policy risk

Changes in fiscal and regulatory rules.

Monitored through MANCO and the Principals Committee so the response is timely.

People and Technology risk

Retaining skilled staff and protecting systems.

Managed through staff development, low turnover, IT controls and a dedicated information security function.

04

Financial Performance

Financial highlights for 2025-26

Profit after tax

Rs. 160.7m

down 7.7% · EPS Rs. 3.54

Cash dividend

25%

Rs. 2.50 per certificate, same as last year

Profit before levy and tax

Rs. 242.9m

down 3.8%

Diminishing Musharakah

Rs. 7,132m

up 3.8%

Disbursements

Rs. 3,114m

down 10.3%

Total assets

Rs. 8,457m

down 4.7%

Certificate holders' equity

Rs. 1,374m

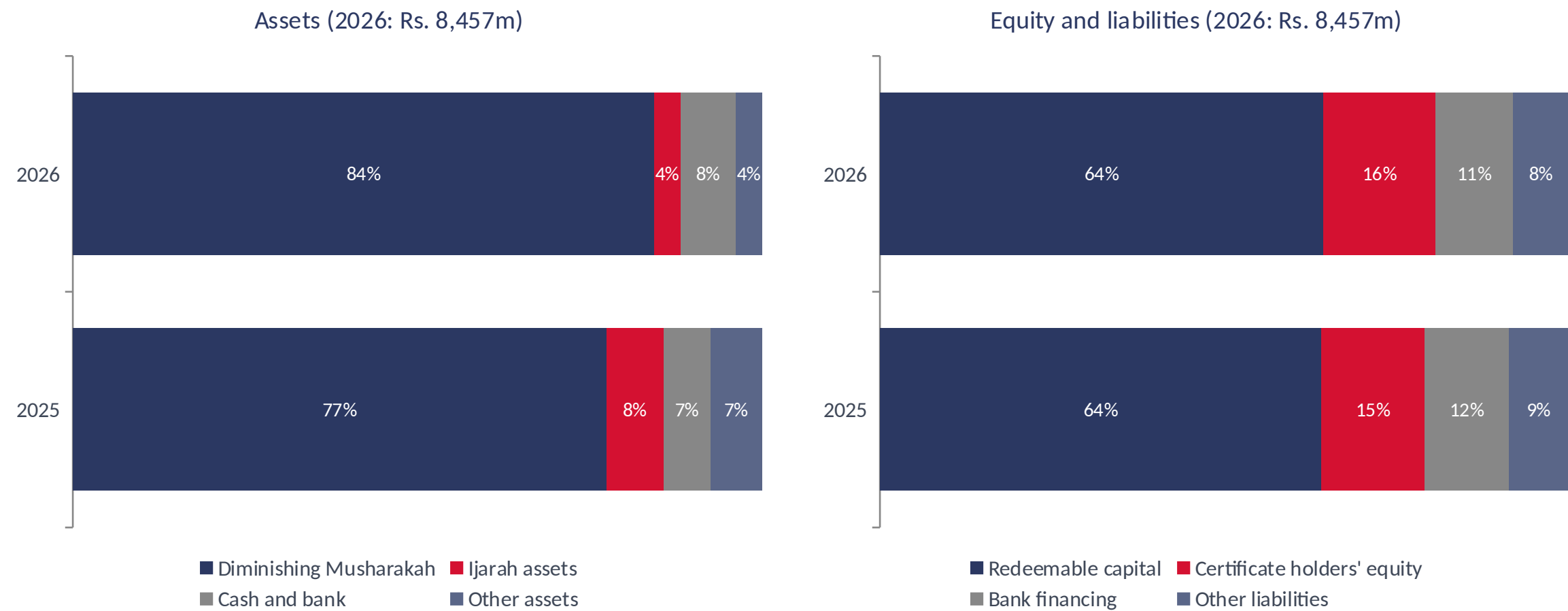
up 3.6%

VIS ratings maintained at AA / A1+. Financial charges fell 26.7% as benchmark rates came down.

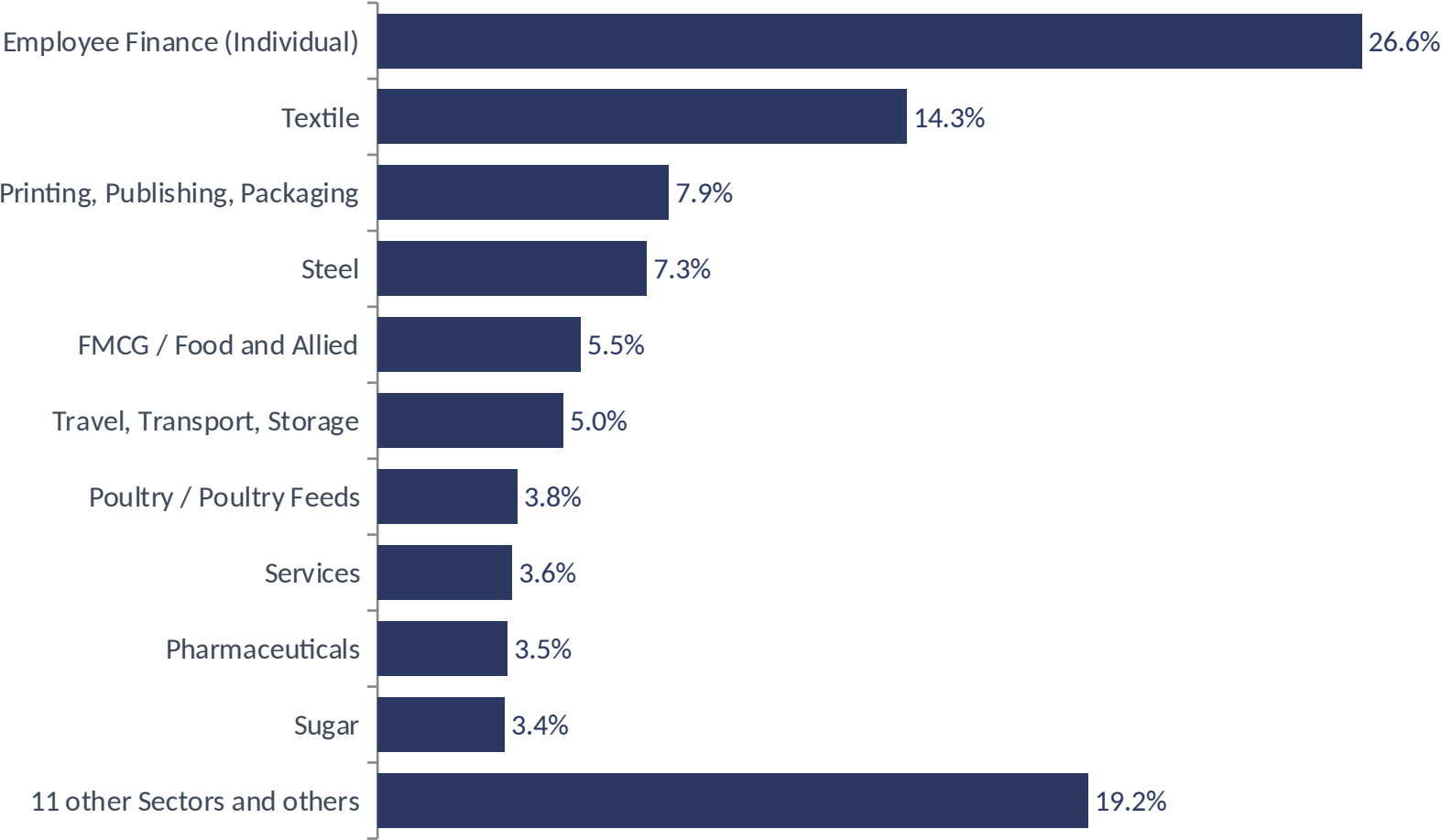
Key financial data: 2026 against 2025

Rs. in million	2026	2025	Change	Comment
Total Assets	8,457	8,874	(4.7)%	Lower Ijarah finances
Diminishing Musharakah (net)	7,132	6,869	3.8%	Continued shift towards DM
Ijarah Assets (net)	324	737	(56.0)%	Strategic shift towards DM
Disbursements	3,114	3,470	(10.3)%	Owing to economic conditions selective business undertaken
Gross Revenue	1,491	1,890	(21.1)%	Lower KIBOR during the year
Financial Charges	700	955	(26.7)%	Lower benchmark rates, liquidity management
Gross Margin	561	528	6.3%	Revenue net of charges and Ijarah depreciation
Admin and Operating Expenses	281	274	2.3%	Contained well below inflation
Profit before Levy and Tax	243	252	(3.8)%	Lower gains on Ijarah disposals
Profit after Tax	161	174	(7.7)%	EPS Rs. 3.54 (2025: Rs. 3.84)

Statement of financial position composition



Sector-wise financing, June 30, 2026



Gross DM and Ijarah portfolio

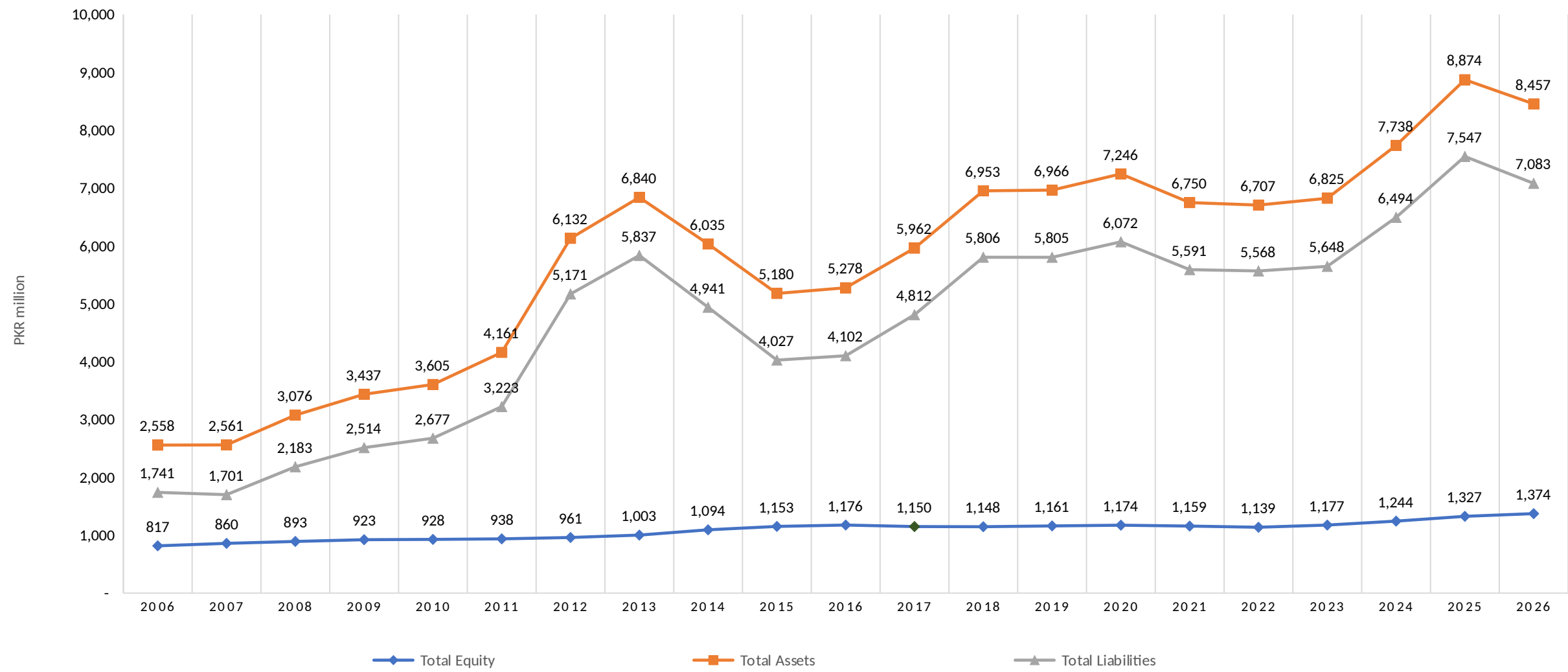
Rs. 7,478m

2025: Rs. 7,383m

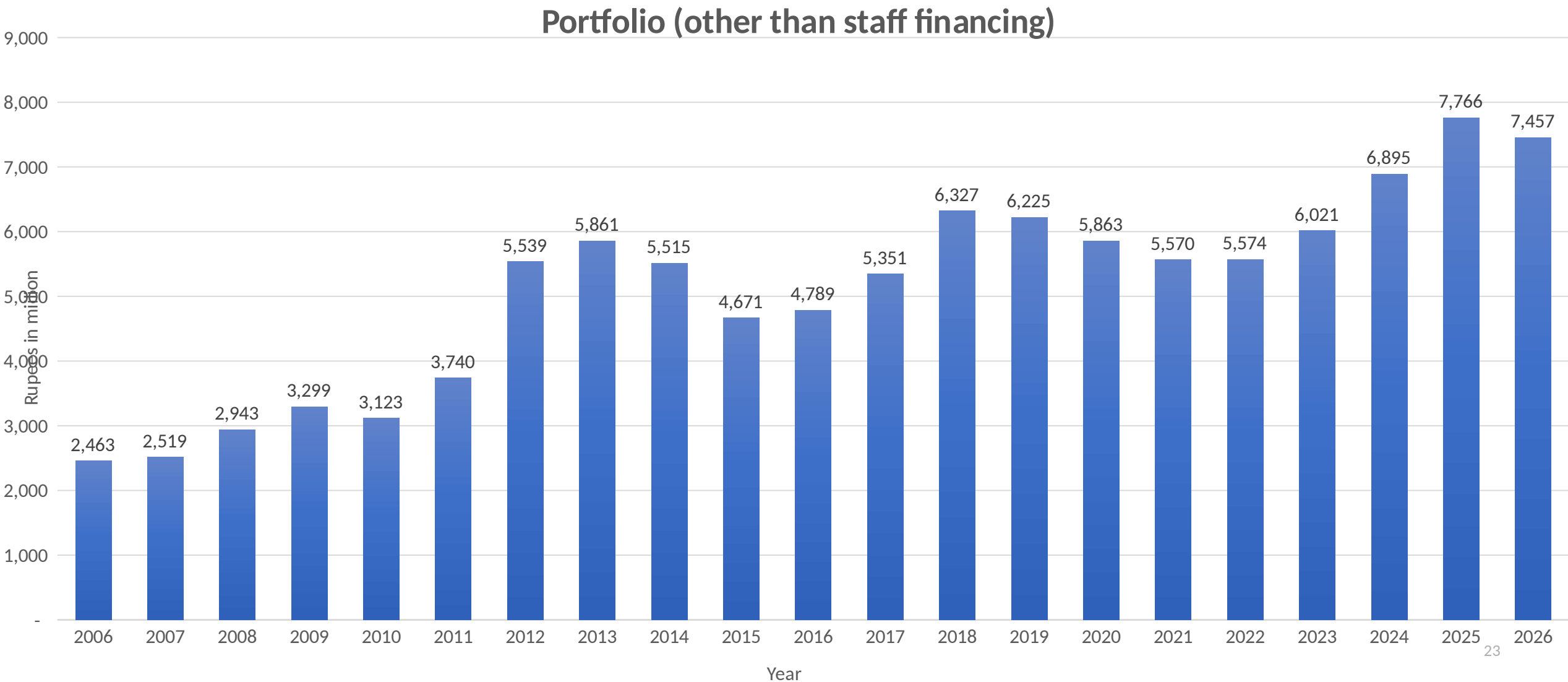
Key financial data for six years

Rs. in million, June 30	2026	2025	2024	2023	2022	2021
Total assets	8,457	8,874	7,738	6,825	6,707	6,750
Portfolio (net)	7,457	7,766	6,909	6,021	5,574	5,570
Total disbursements	3,114	3,470	3,197	2,782	2,693	2,419
Redeemable capital and deposits	5,574	5,961	4,688	3,393	3,487	3,827
Certificate holders' equity	1,374	1,327	1,244	1,177	1,138	1,159
Revenue (net of depreciation)	1,299	1,574	1,643	1,281	786	749
Net profit	161	174	158	129	112	153
Earnings per certificate (Rs.)	3.54	3.84	3.48	2.84	2.46	3.36
Cash dividend (%)	25	25	20	20	20	29
Return on equity (%)	11.90	13.54	13.03	11.12	9.71	13.07
Break-up value per certificate (Rs.)	30.28	29.24	27.40	25.93	25.09	25.53

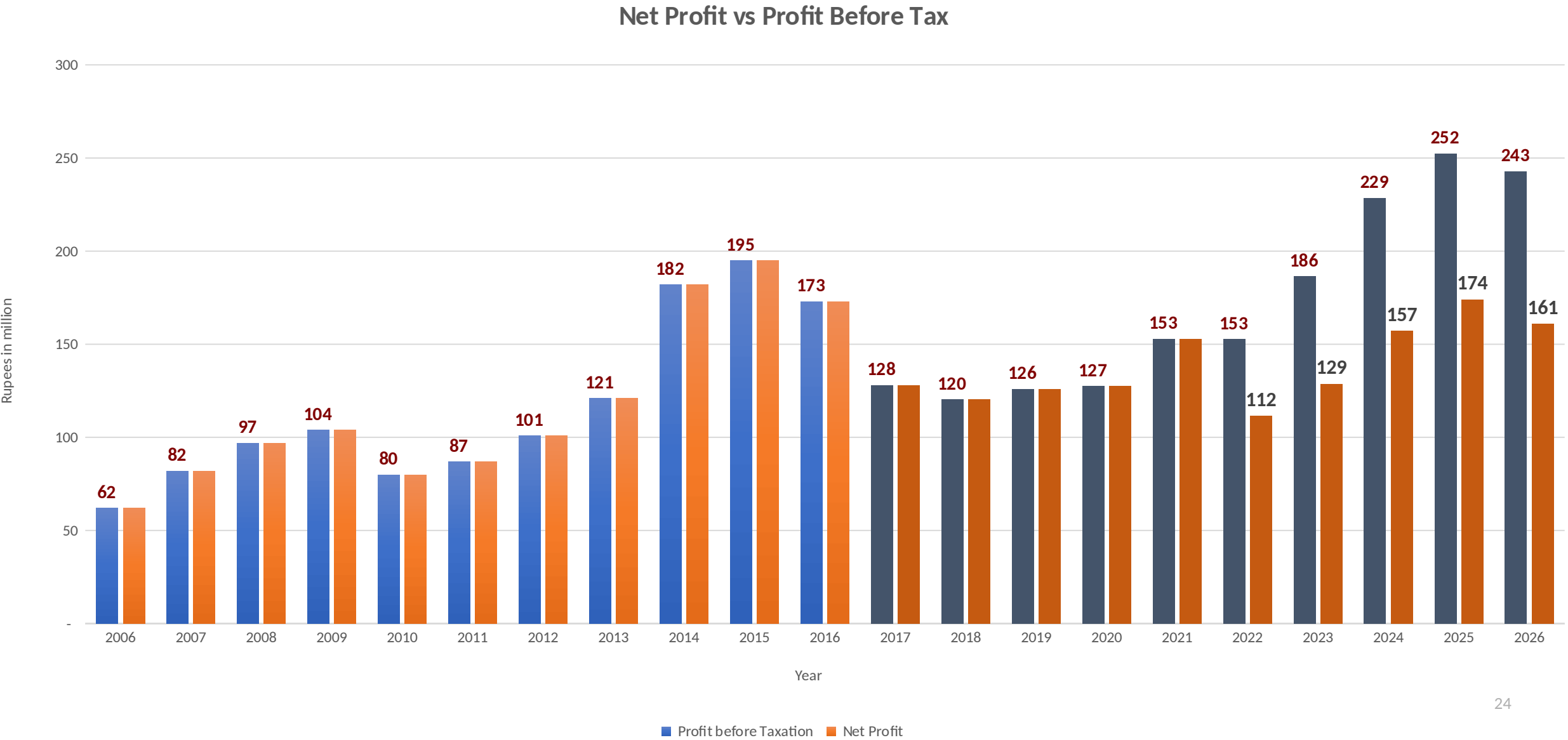
Growth over 20 years



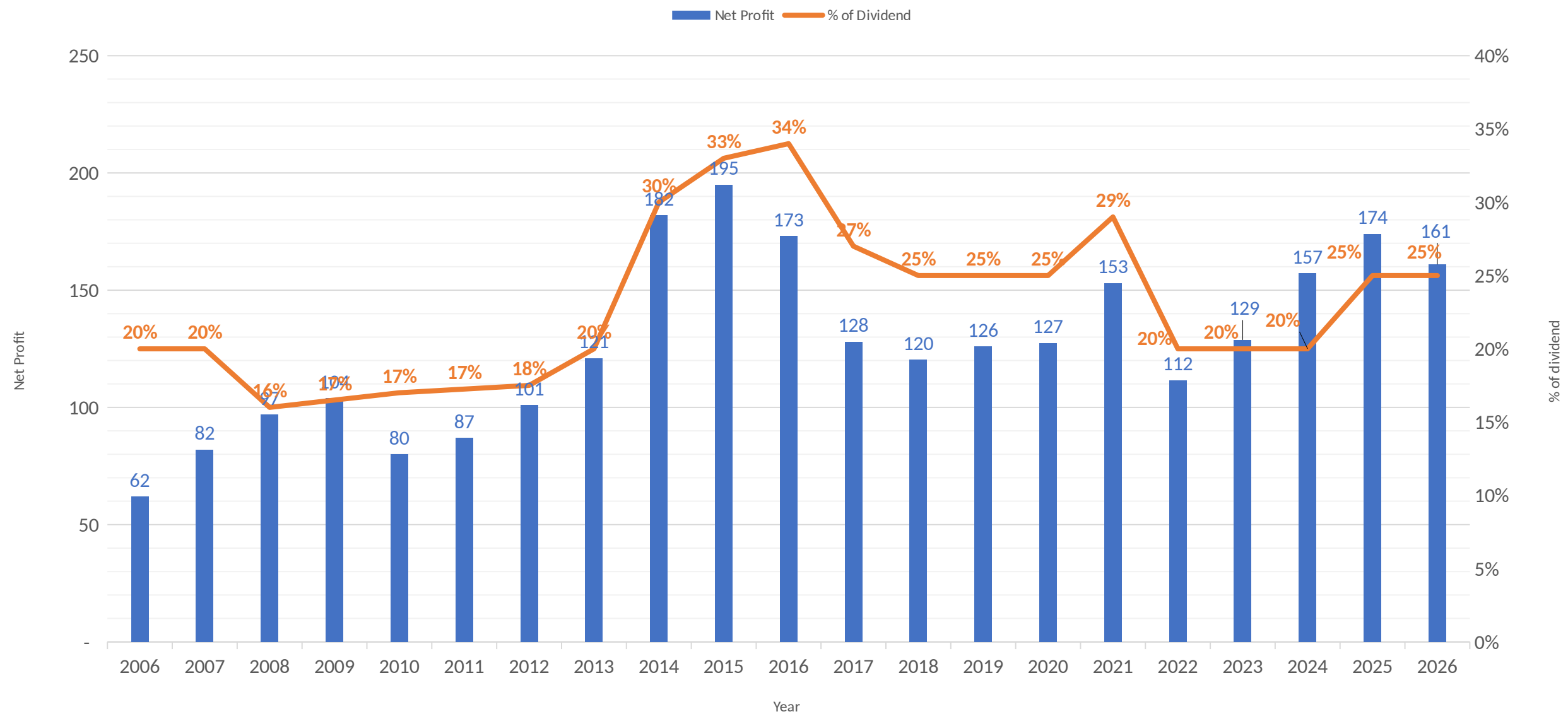
Portfolio (other than staff financing)



Profitability over 20 years

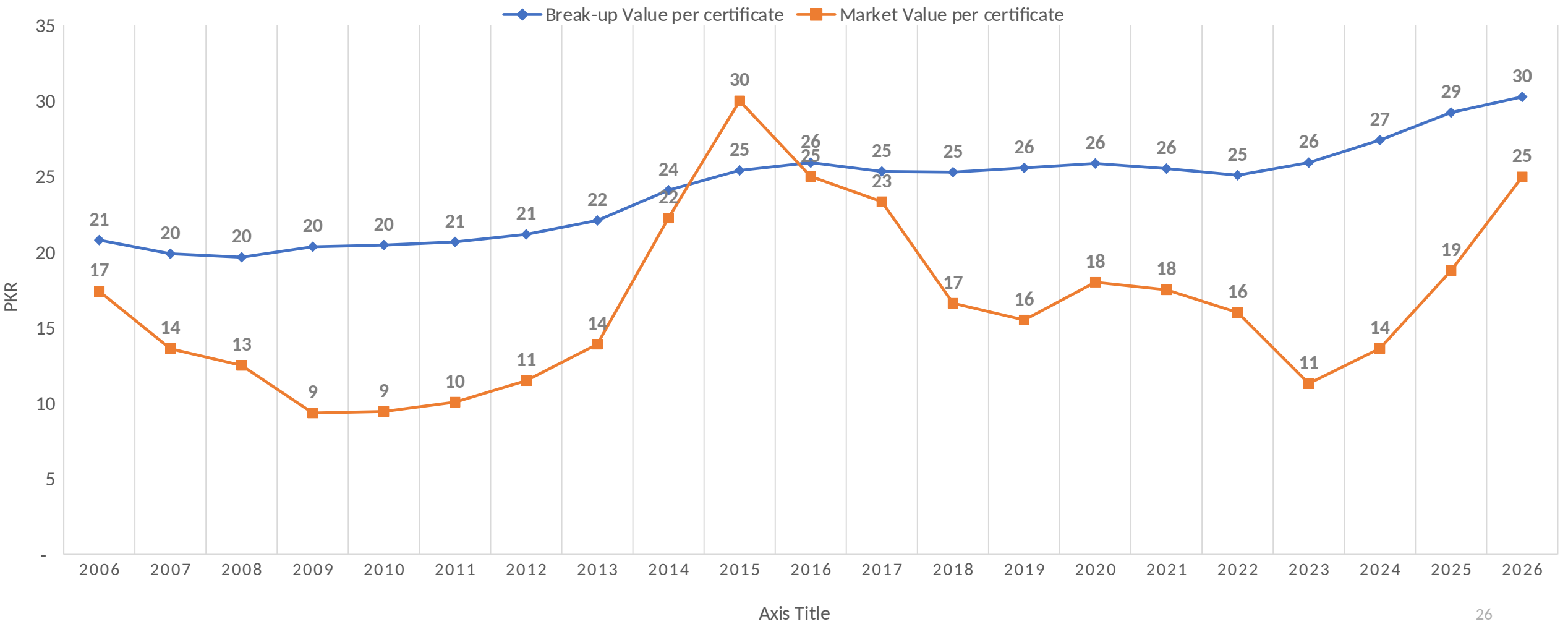


Dividend Payout vs Net Profit



Break-up value vs Market Value

Break-up value vs Market Value



05

Awards and Ratings



Awards received during 2025-26

1

Corporate Social Responsibility Award

The Professionals Network, including the Reporting and Transparency, and Business Transformation categories

2

Corporate Social Responsibility Award

National Forum for Environment and Health, in Collaborative CSR and Multi-Stakeholder Partnerships

3

Corporate Excellence Award

Management Association of Pakistan

4

Certificate of Achievement

NBFI and Modaraba Association of Pakistan

Credit ratings assigned by VIS (in Sept-2026)

Long term

AA

Very high credit quality

Short term

A1+

Highest capacity for timely repayment

Outlook

Stable

AA / A1+ maintained every year since 2017

2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
AA / A1+	AA / A1+	AA / A1+	AA / A1+	AA / A1+	AA / A1+	AA / A1+	AA / A1+	AA / A1+	AA / A1+

06

Leadership and Auditor Update

Message from the new Chief Executive Officer

I am honoured to lead OLP Modaraba. I thank Mr. Raheel Qamar Ahmad for his long leadership, which leaves us with a strong balance sheet, an AA / A1+ rating and a record of stable profits and regular distributions.

My priorities are to grow our Diminishing Musharakah book with quality clients, widen our reach to SMEs and consumer auto, improve our funding portfolio mix, and modernise our IT platforms, including careful use of AI, while keeping Shariah compliance and risk discipline at the centre of everything we do.

Thank you to our certificate holders, clients and regulators for your continued trust.

Waqas Ahmad Khwaja

Managing Director and Chief Executive Officer

28 years in corporate finance, credit risk and business development, including OLP Financial Services, Trust Investment Bank and SAMBA Bank

MBA (Finance), University of the Punjab
Diploma in Business Management - LUMS

Change of external auditors for 2026-27

Years ending June 30, 2025 and 2026

KPMG Taseer Hadi & Co.

FY2026 accounts audited with an unqualified opinion



Year ending June 30, 2027

A. F. Ferguson & Co.

Member firm of the PwC network

Why the change

KPMG International is exiting its Pakistan practice at the end of October 2026. ORIX Corporation requires group companies to be audited by a Big Four network firm.

Group Alignment

Regulation 33 of the Code of Corporate Governance requires inter-related financial services companies to appoint the same audit firm, so OLPM follows its parent's appointment.

Approval

Board approved on October 1, 2026 on the Audit Committee's recommendation, subject to approval by the Registrar Modaraba.

Registrar approved on October 21, 2026.

07

Way Forward

Expected challenges for 2026-27

External

- Prolonged Middle East conflict
- Unstable global energy prices
- Disruption to international trade
- Higher freight and insurance costs

Domestic

- Inflation back in double digits
- Policy rate raised by SBP
- Political stability
- Higher taxation and regulatory cost

Impact on OLPM

- Higher cost of funds
- Softer credit demand
- Pressure on clients' repayment capacity
- Spread-based model limits revenue risk

Business strategy for 2026-27

1

Grow market share by onboarding new Corporate and Employee Finance customers

2

Keep the portfolio healthy through diversification in stable sectors

3

Improve the asset-liability profile with medium and long-term funds

4

Strengthen risk management, Shariah compliance and internal controls

5

Revamp IT infrastructure to improve efficiency and turnaround times

6

Use AI carefully for automation and early warning

7

Cautiously grow SME and consumer auto financing

8

Continue ESG and sustainability initiatives through the dedicated committee

08

Questions and Answers

Questions may also be sent to the Company Secretary at secretariat@olpmodaraba.com



OLP

Thank you

www.olpmodaraba.com • askus@olpmodaraba.com • (021) 38341168