

Trust Modaraba

Managed By:

Al-Zāmin Modaraba Management (Private) Limited.

HALF YEARLY REPORT

December 31, 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. Namoos 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 |

Subsequent development in the board.

*Mr. Basheer Ahmed Chowdry has resigned as the CEO, effective 28th February 2026.

**Mr. Muhammad Yasin has been appointed as the CEO, subject to the approval of the Registrar Modaraba.

MANAGEMENT

| | |
|---------------------------|---|
| Mr. Basheer Ahmed Chowdry | Chief Executive |
| Ms. Hamida Aqeel | Chief Operating Officer/Company Secretary |
| Mr. Muhammad Wajid | Chief Financial Officer |

AUDIT COMMITTEE

| | |
|------------------------------|----------------------------|
| Mr. Syed Etrat Hussain Rizvi | Chairman |
| Mr. Imran Iqbal | Member |
| Mr. Muhammad Yasin | Member |
| Mr. Muhammad Sami Ullah | Member |
| Ms. Hamida Aqeel | Secretary to the committee |

HUMAN RESOURCE COMMITTEE

| | |
|---------------------------|----------------------------|
| Mr. Muhammad Yasin | Chairman |
| Mr. Muhammad Sami Ullah | Member |
| Mr. Basheer Ahmed Chowdry | Member |
| Dr. Mrs. Namoos Baquar | Member |
| Ms. Hamida Aqeel | Secretary to the committee |

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 financial statements of Trust Modaraba for the half year ended on 31st December, 2025. A limited scope review of the said financial statements has been conducted by the external auditors in compliance of the regulatory requirements.

ECONOMIC OUTLOOK

The outlook for Pakistan's economy remains broadly positive supported by sustained growth in industrial activity with continued momentum in key sectors such as textiles, automobiles, cement and food processing. The decline in inflationary pressures, easing policy rates and stable commodity prices have created a favourable environment for investment. Large scale manufacturing sector is expected to maintain its trajectory of recovery supported by ongoing structural reforms aimed at enhancing industrial competitiveness. On the external front, the current account is expected to remain within the targeted range. Remittances inflows are expected to maintain their upward trend contributing to a more stable external account. Fiscal consolidation is expected to continue supporting macro economic stability with government efforts in expenditure management, enhanced tax collection and structural reforms contributing to sustainable growth. With sustained reforms and prudent fiscal management, Pakistan's economy is poised to move towards greater stability and enhanced prosperity.

FINANCIAL HIGHLIGHTS

A snapshot of key operating data is presented hereunder:

Amount in Rupees

| HALF YEAR ENDED ON 31 ST DEC, | 2025 | 2024 |
|--|------------|------------|
| Gross Revenue | 36,217,167 | 40,119,659 |
| Provisions | (261,494) | (325,589) |
| Unrealized gain | 79,613 | 3,391,483 |
| Net Revenue | 36,035,286 | 43,185,553 |
| Operating Expenses | 23,167,843 | 23,250,753 |
| Income before management fee | 12,867,443 | 19,934,800 |
| Management fee, WWF & SST | 1,711,370 | 2,645,348 |
| Profit before tax | 11,138,073 | 17,289,452 |
| Profit after tax | 8,020,070 | 14,953,836 |
| Transferred to Reserves | 8,020,070 | 14,507,766 |

PERFORMANCE REVIEW

Despite challenging business environment associated with steep reduction in policy rates, it is encouraging to report that your Modaraba maintained sustainability in business operations during the first half of the current financial year ended on 31st December, 2025. Income from core business operations comprising of diminishing musharakah, murabahah and ijarah stood at Rs.30.47 million as compared to Rs.31.85 million of the previous comparable period registering reduction of 4% though the policy rates declined by 11% since June, 2024. In line with the management policy, major financing was undertaken by way of diminishing musharakah mode primarily for vehicle financing.

Financing portfolio is prudently built around carefully selected clients after detailed evaluation of their repayment capacity and satisfactory track record of payment. As a result of improvement in credit quality of the portfolio, minimum provision of Rs.0.26 million had to be recorded in the financial statements. Income from equity portfolio added Rs. 3.37 million to the revenue translating into a return of 26-28% on the investment portfolio. Net revenue after incorporating provisions and unrealized gain worked out to Rs.36.04 million for the half year ended on 31st December, 2025. Operating expense at Rs.23.17 million remained at the same level of the previous comparable period despite increase in costs across the board. Profit before tax worked out to Rs. 11.16 million. After accounting for tax liability of Rs.3.14 million for the period, PAT of Rs.8.02 million was achieved for the period ended on 31st December, 2025.

Financing during the period was mainly conducted under diminishing mode and the major segment comprised of vehicle financing, Thorough due diligence of each client was conducted to ensure compliance with the regulations and norms of prudence. Repayments from the clients are satisfactory and vigorous follow up remains at the core to ensure timely receipt of due instalments. Your management is also making utmost efforts of recovery from the litigated accounts and every effort is being made to materialize early settlement from cases in court.

EARNINGS PER CERTIFICATE

Earnings per certificate for the period under review stood at Rs.0.27 as against Rs.0.50 of the previous comparable period.

Going forward your management remains committed to achieve further excellence in the operations of the Modaraba for the benefit of all the stake holders.

SIGNIFICANT DEVELOPMENT:

Mr. Basheer A. Chowdry has resigned from his position as the Chief Executive of the Company due to his health concerns. His resignation is effective 28th February, 2026.

The Board of Directors express its sincere appreciation and gratitude to Mr. Chowdry for his role and exceptional efforts in leading the organization successfully even in the most challenging times. The members and the entire team wish him sound health and pray for his well being.

Further, the Board has appointed Mr. Muhammad Yasin as the CEO of the Company to take charge with effect from 1st March, 2026 subject to the approval of the Registrar Modaraba. Mr. Yasin holds a Bachelors degree in engineering from NED University and a Masters degree in Business Administration from the Institute of Business Administration, Karachi. He has over 35 years of professional experience of working in diversified positions to his credit. He has been engaged with the Development Finance Institutions, Real Estate Company and Mutual Fund. He has also served as the Chief Executive of a Capital Management Company. Mr. Yasin has been on the Board of the Management Company since 2019 and is well versed with the affairs of the organization.

The Board of Directors wish Mr. Yasin success in leading the organisation to achieve its vision and goals of growth and success.

ACKNOWLEDGEMENT

The Board wishes to place its appreciation for the continued support of the SECP, certificate holders, commitment and hard work of staff members and their valuable support for the Modaraba.

For and on behalf of the Modaraba

17th February, 2026



DIRECTOR



CHIEF EXECUTIVE

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۔ ریگولیٹری تقاضوں کی تعمیل میں بیرونی آڈیٹرز کے ذریعہ مذکورہ مالیاتی بیانات کا ایک محدود دائرہ کار کا جائزہ لیا گیا ہے۔

معاشی نقطہ نظر

ٹیکسٹائل، آٹوموبائل، سمنٹ اور فوڈ پروسیسنگ جیسے اہم شعبوں میں مسلسل رفتار کے ساتھ صنعتی سرگرمی میں مسلسل ترقی کی طرف سے پاکستان کی معیشت کے لئے نقطہ نظر وسیع پیمانے پر مثبت رہتا ہے۔ افراط زر کے دباؤ میں کمی، پالیسی کی شرحوں میں نرمی اور اجناس کی مستحکم قیمتوں نے سرمایہ کاری کے لئے سازگار ماحول پیدا کیا ہے۔ بڑے پیمانے پر مینوفیکچرنگ سیکٹر سے توقع کی جاتی ہے کہ وہ صنعتی مسابقت کو بڑھانے کے مقصد سے جاری ساختی اصلاحات کی مدد سے بحالی کے اپنے راستے کو برقرار رکھے گا۔ بیرونی محاذ پر، موجودہ اکاؤنٹ کے ٹارگٹڈ رینج کے اندر رہنے کی توقع ہے۔ ترسیلات زر کی آمد سے توقع کی جاتی ہے کہ وہ اپنے اوپر کے رجحان کو برقرار رکھیں گے جس سے زیادہ مستحکم بیرونی اکاؤنٹ میں شراکت ہوگی۔ مالی استحکام سے توقع کی جاتی ہے کہ اخراجات کے انتظام، ٹیکس کی وصولی میں اضافہ اور پائیدار ترقی میں حصہ ڈالنے والی ساختی اصلاحات میں حکومتی کوششوں کے ساتھ میکرو اقتصادی استحکام کی حمایت جاری رکھے گی۔ پائیدار اصلاحات اور محتاط مالی انتظام کے ساتھ، پاکستان کی معیشت زیادہ سے زیادہ استحکام اور بہتر خوشحالی کی طرف بڑھنے کے لئے تیار ہے۔

مالی جھلکیاں

کلیدی آپریٹنگ ڈیٹا کا ایک سنیپ شاٹ یہاں پیش کیا گیا ہے:

روپے میں رقم

| 2024 | 2025 : | 31 ST دسمبر کو ختم ہونے والا نصف سال، |
|------------|------------|--|
| 40,119,659 | 36,217,167 | مجموعی آمدنی |
| (325,589) | (261,494) | اشیائے خورد و نوش |
| 3,391,483 | 79.613 | غیر حقیقی فائدہ |
| 43,185,553 | 36,035,286 | محصول |
| 23,250,753 | 23,167,843 | آپریٹنگ اخراجات |
| 19,934,800 | 12,867,443 | مینجمنٹ فیس سے پہلے آمدنی |
| 2,645,348 | 1,711,370 | مینجمنٹ فیس، ڈبلیو ڈبلیو ایف اور ایس ایس ٹی |
| 17,289,452 | 11,138,073 | ٹیکس سے پہلے منافع |
| 14,953,836 | 8,020,070 | ٹیکس کے بعد منافع |
| 14,507,766 | 8,020,070 | ریزروز میں منتقل کیا گیا |

کارکردگی کا جائزہ

پالیسی کی شرحوں میں زبردست کمی سے وابستہ کاروباری ماحول کو چیلنج کرنے کے باوجود، یہ رپورٹ کرنا حوصلہ افزا ہے کہ آپ کے موڈاربا نے 31 دسمبر، 2025 کو ختم ہونے والے رواں مالی سال کی پہلی ششماہی کے دوران کاروباری کارروائیوں میں استحکام برقرار رکھا۔ بنیادی کاروباری کارروائیوں سے حاصل ہونے والی آمدنی جس میں مشارکہ، مربہ اور اعجاز شامل ہیں، 30.47 ملین روپے رہی جبکہ اس سے قبل کی موازنہ مدت میں 31.85 ملین روپے کی آمدنی ہوئی تھی جس میں 4 فیصد کمی ریکارڈ کی گئی تھی حالانکہ جون 2024 کے بعد سے پالیسی کی شرحوں میں 11 فیصد کمی واقع ہوئی ہے۔ انتظامی پالیسی کے مطابق، بنیادی طور پر گاڑیوں کی مالی اعانت کے لئے مشارکہ موڈ کو کم کرنے کے ذریعہ بڑی مالی اعانت کی گئی تھی۔ فنانسنگ پورٹ فولیو احتیاط سے منتخب گاہکوں کے ارد گرد ان کی ادائیگی کی صلاحیت اور ادائیگی کے تسلی بخش ٹریک ریکارڈ کی تفصیلی تشخیص کے بعد تعمیر کیا جاتا ہے۔ پورٹ

فولیو کے کریڈٹ معیار میں بہتری کے نتیجے میں، مالی بیانات میں کم از کم 0.26 ملین روپے کی فراہمی ریکارڈ کی جانی تھی۔ ایکویٹی پورٹ فولیو سے آمدنی میں 3.37 ملین کی آمدنی سے سرمایہ کاری کے پورٹ فولیو پر 26-28% کی واپسی ہوتی ہے۔ 31 دسمبر، 2025 کو ختم ہونے والے نصف سال کے لئے دفعات اور غیر حقیقی منافع کو شامل کرنے کے بعد خالص آمدنی 36.04 ملین روپے ہو گئی۔ بورڈ بھر میں اخراجات میں اضافے کے باوجود آپریٹنگ اخراجات 23.17 ملین روپے گزشتہ موازنہ مدت کے اسی سطح پر رہے۔ ٹیکس سے پہلے کا منافع 11.16 ملین۔ اس مدت کے لئے 3.14 ملین روپے کی ٹیکس ذمہ داری کا حساب لگانے کے بعد، 31 دسمبر، 2025 کو ختم ہونے والی مدت کے لئے 8.02 ملین روپے کا PAT حاصل کیا گیا۔

اس مدت کے دوران مالی اعانت بنیادی طور پر گھٹتے ہوئے موڈ کے تحت کی گئی تھی اور گاڑیوں کی مالی اعانت پر مشتمل اہم طبقہ، ہر مؤکل کی پوری طرح سے احتیاط برتنے کے ضوابط اور ضابطوں کی تعمیل کو یقینی بنانے کے لئے کی گئی تھی۔ واجب الادا قسطوں کی بروقت وصولی کو یقینی بنانے کے لئے کلانٹس کی جانب سے ادائیگی اطمینان بخش اور بھرپور فالو اپ باقی ہے۔ آپ کی انتظامیہ قانونی چارہ جوئی والے اکاؤنٹس سے بازیابی کی بھی بھرپور کوششیں کر رہی ہے اور عدالت میں مقدمات سے جلد تصفیہ کرنے کی ہر ممکن کوشش کی جا رہی ہے۔

فی سرٹیفیکٹ کمائیاں

زیر جائزہ مدت کے لئے فی سرٹیفیکٹ آمدنی گزشتہ موازنہ مدت کے 0.50 روپے کے مقابلے میں 0.27 روپے رہی۔

آگے بڑھتے ہوئے آپ کی انتظامیہ تمام اسٹیک ہولڈرز کے فائدے کے لئے موڈرنا کی کارروائیوں میں مزید برتری حاصل کرنے کے لئے پرعزم ہے۔

اہم ترقی:

جناب بشیر اے چوہدری نے اپنی صحت کے خدشات کی وجہ سے کمپنی کے چیف ایگزیکٹو کے عہدے سے استعفیٰ دے دیا ہے۔ ان کا استعفیٰ 28 فروری، 2026 کو نافذ العمل ہے۔

بورڈ آف ڈائریکٹرز مسٹر چوہدری کے کردار اور انتہائی مشکل وقت میں بھی تنظیم کو کامیابی کے ساتھ لیز پر دینے کی غیر معمولی کوششوں کے لئے ان کی مخلصانہ تعریف اور ان کا شکریہ ادا کرتا ہے۔ اراکین اور پوری ٹیم ان کی صحت کے لیے دعا گو ہے اور ان کی صحت کے لیے دعا گو ہے۔

مزید برآں، بورڈ نے جناب محمد یاسین کو کمپنی کا سی ای او مقرر کیا ہے جو رجسٹرار موڈرنا کی منظوری سے مشروطیکہ مارچ، 2026 سے انچارج ہوں گے۔ مسٹر یاسین نے این ای ڈی یونیورسٹی سے انجینئرنگ میں بیچلر کی ڈگری اور انسٹی ٹیوٹ آف بزنس ایڈمنسٹریشن، کراچی سے بزنس ایڈمنسٹریشن میں ماسٹرز کی ڈگری حاصل کی ہے۔ انہیں متنوع عہدوں پر کام کرنے کا 35 سال سے زیادہ کا پیشہ ورانہ تجربہ ہے۔ وہ ترقیاتی فنانس اداروں، رئیل اسٹیٹ کمپنی اور میوچل فنڈ کے ساتھ مشغول رہے ہیں۔ انہوں نے کیپٹل مینجمنٹ کمپنی کے چیف ایگزیکٹو کے طور پر بھی کام کیا ہے۔ مسٹر یاسین 2019 سے مینجمنٹ کمپنی کے بورڈ میں ہیں اور تنظیم کے امور سے بخوبی واقف ہیں۔

بورڈ آف ڈائریکٹرز جناب یاسین کو اپنے وژن اور ترقی اور کامیابی کے اہداف کے حصول کے لئے تنظیم کی قیادت کرنے میں کامیابی کی خواہش کرتا ہے۔

اعتراف

بورڈ ایس ای سی پی، سرٹیفیکٹ ہولڈرز، عملے کے ممبروں کے عزم اور محنت اور موڈرنا کے لئے ان کی قیمتی مدد کے لئے اپنی تعریف کرنا چاہتا ہے۔

ٹرسٹ موڈرنا کے لیے اور اس کی جانب سے



چیف ایگزیکٹو



ڈائریکٹر

17 فروری، 2026

REPORT OF SHARIAH ADVISOR

I have reviewed the operations of Trust Modaraba managed by Al-Zamin Modaraba Management (Private) Limited for the half year ended December 31, 2025, in accordance with the requirements of the applicable regularities. In my opinion:

- I. The Modaraba has introduced a mechanism which has strengthened the Shariah compliance, in letter and spirit and the systems, procedures and policies adopted by the Modaraba are in line with the Shariah principles:
- II. The agreements entered into by the Modaraba are Shariah compliant and the financing agreements have been executed on the formats as approved by the Religious Board and all the related conditions have been met.
- III. To the best of my information and according to the explanations given to me, the business transactions undertaken by the Modaraba and all other matters incidental thereto are in conformity with the Shariah requirements Islamic Financial Accounting Standards as applicable in Pakistan and the Shariah Regulations for Modarabas.
- IV. No earnings have been realized by any means prohibited by Shariah.

In my opinion, the operations of Trust Modaraba are in conformity with the Shariah Compliance and Audit Mechanism for Modarabas.

1 February 2026, Karachi.

Signature



Muhammad Zubair Usmani
Jamia Darul Uloom Karachi

MUHAMMAD ZUBAIR USMANI

Shariah Advisor

INDEPENDENT AUDITORS' REVIEW REPORT TO THE CERTIFICATE HOLDERS OF TRUST MODARABA

REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Trust Modaraba (the Modaraba) as at December 31, 2025, and the related condensed interim statement of profit and loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the condensed interim financial statements for the half year then ended (here-in-after referred to as "the condensed interim financial statements"). The Modaraba Management Company [Al Zamin Modaraba Management (Private) Limited] is responsible for the preparation and presentation of the condensed interim financial statements in accordance with approved accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed 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 statements Performed by the Independent Auditor of the Entity". A review of condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying 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 condensed interim financial statements is not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Emphasis of matters

i) DHA land case

We draw attention to note 5.1.1 to the condensed interim financial statements for the half year ended December 31, 2025, which inter alia states the details of land which is owned but not in the possession of the Modaraba.

ii) Unclaimed dividend

We further draw attention to note 15 to the condensed interim financial statements for the half year ended December 31, 2025, which states the details of unclaimed dividend for which management has maintained separate saving account of Rs. 4.78 million against unclaimed profit distribution of Rs. 13.64 million. This shortage of funds of Rs. 8.85 million relates to unclaimed profit distribution when modaraba was managed by Trust management services (previous management company) from incorporation till 2009 when change of management took place.

iii) Restatement of financial information

We further draw attention to note 3 to the financial information for the half year ended December 31, 2024 that were restated for a correction in an accounting error relating to the provision of sales tax payable on management fee (refer note 3) of the financial statement. The 2024 financial information has been updated to correct this error.

Our conclusion is not modified in respect of the above matters.

Other matter

- i) Pursuant to the requirement of Section 237 (1) (b) of the Companies Act, 2017, only cumulative figures for the six month period, 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 and condensed interim statement of comprehensive income for the three months period ended December 31, 2025 have not been reviewed by us.
- ii) The engagement partner on the review resulting in this independent auditors' review report is Muhammad Shaukat Naseeb.

Grant Thornton Anjum Rahman

Chartered Accountants

Karachi

Date: 20th February, 2026

UDIN: AR2025101262sAbnQF9o

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT DECEMBER 31, 2025

| | | (Un-audited) December 31, 2025 | (Audited) June 30, 2025 |
|--|-------------|--------------------------------------|-------------------------------|
| ASSETS | Note | -----Rupees----- | |
| Non-current assets | | | |
| Ijarah assets | 4 | 20,738,051 | 31,484,673 |
| Fixed assets | 5 | 26,567,797 | 24,559,177 |
| Intangible asset | | 349,059 | 541,612 |
| Murabaha finances | 6 | 4,698,818 | 7,156,581 |
| Diminishing musharakah financing | 7 | 133,377,255 | 144,117,878 |
| Long term deposits | | 294,662 | 294,662 |
| Deferred taxation - net | 8 | 1,498,308 | 1,416,970 |
| Total non-current assets | | 187,523,950 | 209,571,553 |
| Current assets | | | |
| Current portion of long term murabaha finances | 6 | 35,170,950 | 40,282,404 |
| Current portion of diminishing musharakah finances | 7 | 76,896,561 | 74,237,249 |
| Murabaha finances - secured | 9 | 25,360,000 | 25,380,000 |
| Ijarah rental receivables - secured | 10 | 2,973,340 | 3,387,715 |
| Musharakah finances | 11 | 20,473,330 | 10,178,689 |
| Short term investments | 12 | 18,926,805 | 14,287,295 |
| Income tax refundable | | 4,733,941 | 5,280,459 |
| Advances, prepayments and other receivables | 13 | 16,460,068 | 10,291,497 |
| Cash and bank balances | 14 | 13,112,156 | 9,066,363 |
| Total current assets | | 214,107,151 | 192,391,671 |
| Total assets | | 401,631,101 | 401,963,224 |
| EQUITY AND LIABILITIES | | | |
| LIABILITIES | | | |
| Non-current liabilities | | | |
| Deferred income on murabaha | | 461,185 | 1,009,498 |
| Customers' long term security deposits | | 2,657,930 | 11,179,368 |
| Lease liabilities against right of use assets | | 6,274,805 | 7,269,660 |
| Total non-current liabilities | | 9,393,920 | 19,458,526 |
| Current liabilities | | | |
| Current portion of deferred income on murabaha | | 1,323,014 | 2,043,402 |
| Current portion of customers' security deposits | | 10,829,238 | 5,840,750 |
| Current portion of lease liabilities against right of use assets | | 2,209,321 | 2,730,428 |
| Unclaimed profit distributions | 15 | 13,639,008 | 13,697,088 |
| Creditors, accrued and other liabilities | | 7,409,279 | 9,328,475 |
| Charity payable | | 51,304 | 108,608 |
| Total current liabilities | | 35,461,164 | 33,748,751 |
| Total liabilities | | 44,855,084 | 53,207,277 |
| NET ASSETS | | 356,776,017 | 348,755,947 |
| REPRESENTED BY | | | |
| CAPITAL AND RESERVES | | | |
| Certificate capital | | 298,000,000 | 298,000,000 |
| Reserves | | 58,776,017 | 50,755,947 |
| Total equity | | 356,776,017 | 348,755,947 |

Contingencies and commitments 16

The annexed notes from 1 to 29 form an integral part of these condensed interim 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 AND HALF YEAR ENDED DECEMBER 31, 2025

| | Note | Half Year Ended | | Quarter Year Ended | |
|---|------|----------------------|----------------------|----------------------|----------------------|
| | | December 31, 2025 | December 31, 2024 | December 31, 2025 | December 31, 2024 |
| | | (Restated) | | (Restated) | |
| | | -----Rupees----- | -----Rupees----- | -----Rupees----- | -----Rupees----- |
| Income from ijarah - net | 17 | 2,413,744 | 4,600,462 | 1,289,018 | 1,982,872 |
| Profit on murabaha finances | 18 | 1,840,006 | 2,106,924 | 1,132,289 | 1,047,633 |
| Profit on diminishing musharakah/musharakah finances | 19 | 26,216,451 | 25,140,319 | 13,402,782 | 12,449,314 |
| Dividend income on equity investments | | 205,514 | 429,000 | 216,500 | 216,500 |
| Gain/ (loss) on sale of short term investments | | 3,162,915 | 3,210,301 | 2,710,830 | 2,710,830 |
| Other income | | 2,378,537 | 4,632,653 | 1,951,038 | 1,010,905 |
| | | <u>36,217,167</u> | <u>40,119,659</u> | <u>20,702,457</u> | <u>19,418,054</u> |
| Provision for doubtful receivables | | (261,494) | (325,589) | (261,494) | (325,589) |
| Unrealized gain on revaluation of financial assets at fair value through profit or loss | | 79,613 | 3,391,483 | (918,898) | 4,673,660 |
| | | <u>36,035,286</u> | <u>43,185,553</u> | <u>19,522,065</u> | <u>23,766,125</u> |
| Operating expenses | 20 | (23,167,843) | (23,250,753) | (11,457,073) | (12,379,000) |
| | | <u>12,867,443</u> | <u>19,934,800</u> | <u>8,064,992</u> | <u>11,387,125</u> |
| Modaraba Management Company's fee | | (1,286,744) | (1,993,480) | (672,730) | (1,138,713) |
| Services sales tax on the Management Company's fee | | (193,012) | (299,022) | (100,910) | (170,807) |
| Workers' Welfare Fund | | (231,614) | (352,846) | (122,934) | (204,968) |
| Profit before taxation and levy | | <u>11,156,073</u> | <u>17,289,452</u> | <u>7,168,418</u> | <u>9,872,637</u> |
| Levy, minimum tax and final taxes | | (18,000) | (2,335,616) | (18,000) | (1,090,103) |
| Profit before taxation | | <u>11,138,073</u> | <u>14,953,836</u> | <u>7,150,418</u> | <u>8,782,534</u> |
| Taxation | | (3,118,003) | - | (1,573,654) | - |
| Profit for the period | | <u>8,020,070</u> | <u>14,953,836</u> | <u>5,576,764</u> | <u>8,782,534</u> |
| Earnings per certificate - basic and diluted | 21 | <u>0.27</u> | <u>0.50</u> | <u>0.19</u> | <u>0.29</u> |

The annexed notes from 1 to 29 form an integral part of these condensed interim 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 AND HALF YEAR ENDED DECEMBER 31, 2025

| | Half Year Ended | | Quarter Ended | |
|---|-------------------|-------------------|-------------------|-------------------|
| | December 31, 2025 | December 31, 2024 | December 31, 2025 | December 31, 2024 |
| | | (Restated) | | (Restated) |
| | -----Rupees----- | | | |
| Profit for the period | 8,020,070 | 14,953,836 | 5,576,764 | 3,780,994 |
| Other comprehensive income for the period: | | | | |
| <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 | - | 2,676,246 | - | 2,683,046 |
| Other comprehensive income for the period | - | 2,676,246 | - | 2,683,046 |
| Total comprehensive income for the period | 8,020,070 | 17,630,082 | 5,576,764 | 6,464,040 |

The annexed notes from 1 to 29 form an integral part of these condensed interim financial statements.

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


 CHIEF EXECUTIVE


 DIRECTOR


 DIRECTOR


 CHIEF FINANCIAL OFFICER

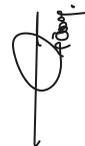
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2025

| Particulars | Certificate capital | Capital reserves | | Revenue reserves | | Total reserves | Total equity |
|---|---------------------|-------------------|---------------------|--------------------|--|-------------------|--------------------|
| | | Statutory reserve | | Accumulated losses | | | |
| Balance as at June 30, 2024 - as previously stated (Audited) | 298,000,000 | 88,032,069 | | (38,294,494) | | 49,737,575 | 347,737,575 |
| Effect of restatement (note 3) | - | (75,321) | | (2,396,405) | | (2,471,726) | (2,471,726) |
| Balance as at June 30, 2024 - restated (Audited) | 298,000,000 | 87,956,748 | | (40,690,899) | | 47,265,849 | 345,265,849 |
| Profit for the period - restated | - | - | 14,953,836 | | | 14,953,836 | 14,953,836 |
| Other comprehensive income for the period | - | - | 2,676,246 | | | 2,676,246 | 2,676,246 |
| Total comprehensive income for the period - restated | - | - | 17,630,082 | | | 17,630,082 | 17,630,082 |
| Transactions with owners | | | | | | | |
| Profit distribution for the year ended June 30, 2024 @ Rs. 0.50 per certificate | - | - | (14,900,000) | | | (14,900,000) | (14,900,000) |
| Balance as at December 31, 2024 - restated (Un-audited) | 298,000,000 | 87,956,748 | (37,960,817) | | | 49,995,931 | 347,995,931 |
| Balance as at June 30, 2025 (Audited) | 298,000,000 | 91,634,768 | (40,878,821) | | | 50,755,947 | 348,755,947 |
| Net profit for the period | - | - | 8,020,070 | | | 8,020,070 | 8,020,070 |
| Other comprehensive income for the period | - | - | - | | | - | - |
| Total comprehensive income for the period | - | - | 8,020,070 | | | 8,020,070 | 8,020,070 |
| Balance as at December 31, 2025 (Un-audited) | 298,000,000 | 91,634,768 | (32,858,751) | | | 58,776,017 | 356,776,017 |

The annexed notes from 1 to 29 form an integral part of these condensed interim financial statements.

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


CHIEF EXECUTIVE


DIRECTOR


DIRECTOR


CHIEF FINANCIAL OFFICER

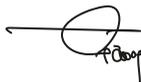
CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2025

| | | December 31, 2025 | December 31, 2024 |
|---|------|----------------------|----------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | Note | -----Rupees----- | |
| Cash generated from operations | | | |
| Cash (used in) / generated from operations | 22 | (3,611,378) | 14,832,813 |
| <i>Decrease / (Increase) in non-current assets:</i> | | | |
| - Long term murabaha finances | | 7,569,217 | 2,828,685 |
| - Long term musharakah finances | | 7,674,018 | (26,879,867) |
| <i>(Decrease) / Increase in non-current liabilities:</i> | | | |
| - Deferred income on murabaha | | (1,268,701) | (931,563) |
| Proceeds from disposal of ijarah assets | | 2,680,233 | 10,012,256 |
| Income tax paid / deducted | | (2,560,516) | (2,974,745) |
| Net cash generated from / (used in) operating activities | | 10,482,873 | (3,112,421) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchase of owned assets | | (4,592,592) | (569,778) |
| Proceeds from disposal of owned assets | | 1,225,500 | 1,175,000 |
| Disposal of investments - net | | (899,563) | 14,980,438 |
| Dividends received | | 206,815 | 429,000 |
| Net cash (used in) / generated from investing activities | | (4,059,840) | 16,014,660 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Payment made against lease liability | | (2,319,160) | (3,634,094) |
| Profit distributed to certificate holders | | (58,080) | (13,958,862) |
| Net cash used in financing activities | | (2,377,240) | (17,592,956) |
| Net increase / (decrease) in cash and cash equivalents | | 4,045,793 | (4,690,717) |
| Cash and cash equivalents at the beginning of the year | | 9,066,363 | 10,384,061 |
| Cash and cash equivalents at the period | 14 | 13,112,156 | 5,693,344 |

The annexed notes from 1 to 29 form an integral part of these condensed interim 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 HALF YEAR ENDED DECEMBER 31, 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 (Flotation 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.

- 2.2 These condensed interim financial statements is un-audited and is being submitted to the members as required by section 237 of the Companies Act, 2017 (the 'Act'). The figures for the half year ended December 31, 2025 have, however, been subjected to limited scope review by the auditors.

These condensed interim financial statements do not include all of the disclosures required for full annual financial statements and should therefore be read in conjunction with the annual financial statements for the year ended June 30, 2025, and any public announcements made by the Modaraba during the interim reporting period. Selected explanatory notes have been included to explain events and transactions that are significant to an understanding of the changes in the Modaraba's financial position and performance since the last annual financial statements. However, the primary financial statements is presented in a format consistent with the financial statements that is required to be presented in the annual financial statements under IAS 1.

2.3 MATERIAL ACCOUNTING POLICY INFORMATION

2.3.1 Critical accounting estimates and judgments

The preparation of these condensed interim financial statements is 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.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2025

These estimates and assumptions are reviewed on an on-going 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.

2.4 Functional and presentation

These condensed interim un-audited financial statements is 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.

2.5 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 condensed interim financial statements.

3 RESTATEMENT IN THE CONDENSED INTERIM FINANCIAL STATEMENTS

Accounting error related to provision of Management fee

The December 31, 2024 condensed interim financial statements was restated for a correction in an accounting error relating to the provision of sales tax payable on management fee.

The 2024 financial statements has been updated to correct for this error, as follows:

| Effect of prior period error adjustment on the condensed interim financial statements for the period ended December 31, 2024 | As previously reported | Correction of error | As corrected |
|--|------------------------|---------------------|-------------------|
| ----- Rupees ----- | | | |
| STATEMENT OF PROFIT AND LOSS | | | |
| Profit net of operating expenses | 19,934,800 | - | 19,934,800 |
| Modaraba Management Company's fee | (1,993,480) | - | (1,993,480) |
| Services sales tax on the Management Company's remuneration | - | (299,022) | (299,022) |
| Workers' Welfare Fund | (358,826) | 5,980 | (352,846) |
| Profit before taxation and levy | 17,582,494 | (293,042) | 17,289,452 |
| Levy, minimum tax and final taxes | - | (2,335,616) | (2,335,616) |
| Profit before taxation | 17,582,494 | (2,628,658) | 14,953,836 |
| Taxation | (2,335,616) | 2,335,616 | - |
| Profit for the year after taxation | 15,246,878 | (293,042) | 14,953,836 |

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

Effect of prior period error adjustment on the condensed interim statement of changes in equity as at June 30, 2024

| | Note | Certificate capital | Capital reserves | Revenue reserves | Total reserves | Total equity |
|--|------|---------------------|-------------------|--------------------|----------------|--------------|
| | | | Statutory reserve | Accumulated losses | | |
| ----- Rupees ----- | | | | | | |
| Balance as at June 30, 2024 - as previously stated (Audited) | | 298,000,000 | 88,032,069 | (38,294,494) | 49,737,575 | 347,737,575 |
| <i>Effects of restatements:</i> | | | | | | |
| Sales tax on management fee payable | 3.1 | - | - | (2,396,405) | (2,396,405) | (2,396,405) |
| Change in transfer to statutory reserves due to sales tax adjustment | 3.2 | - | (75,321) | - | (75,321) | (75,321) |
| Balance as at June 30, 2024 - restated (Audited) | | 298,000,000 | 87,956,748 | (40,690,899) | 47,265,849 | 345,265,849 |

3.1 This represents the cumulative effect of the correction of a prior period error pertaining to sales tax payable on management fee.

3.2 This represents the adjustment to statutory reserves resulting from the restatement of revenue reserves due to sales tax payable on management fee.

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED DECEMBER 31, 2025**

| | | | (Un-audited) Dec 31, 2025 | (Audited) Jun 30, 2025 |
|--------------|--|-------------|--------------------------------------|-------------------------------|
| 4 | IJARAH ASSETS | Note | -----Rupees----- | |
| | Operating fixed assets given on ijarah | 4.1 | 20,738,051 | 31,484,673 |
| 4.1 | Operating fixed assets given on ijarah | | | |
| | Opening written down value | | 31,484,673 | 74,450,750 |
| | Disposals during the period / year | | <u>(5,493,245)</u> | <u>(27,082,478)</u> |
| | | | 25,991,428 | 47,368,272 |
| | Depreciation charge for the period / year | | <u>(5,253,377)</u> | <u>(15,883,599)</u> |
| | | | <u>20,738,051</u> | <u>31,484,673</u> |
| 5 | FIXED ASSETS | | | |
| | Fixed assets | 5.1 & 5.1.1 | 17,714,793 | 13,719,220 |
| | Right of use assets | 5.2 | 8,853,004 | 10,839,957 |
| | | | <u>26,567,797</u> | <u>24,559,177</u> |
| 5.1 | Fixed assets | | | |
| | Opening written down value | | 13,719,220 | 13,979,664 |
| | Additions during the period / year | | 4,592,592 | 981,626 |
| | Disposals during the period / year | | <u>(873,773)</u> | <u>(780,500)</u> |
| | | | 17,438,039 | 14,180,790 |
| | Depreciation charge for the period / year | | <u>(597,019)</u> | <u>(993,290)</u> |
| | Disposals during the period / year | | 873,773 | 531,720 |
| | | | <u>17,714,793</u> | <u>13,719,220</u> |
| 5.1.1 | It represents a piece of land measuring 10 Kanals, costing Rs. 10,728,400 situated at Mauza Amer Sidhu, Lahore Cantt. acquired through settlement of certain Murabaha facilities. The subject land is presently in the possession of Defence Housing Authority, Lahore (DHA). The Modaraba has filed legal suit in the Civil Court, Lahore for possession of land. The management and legal counsel of the Modaraba are confident that Modaraba has valid claim against DHA because title and sale deed is in the name of the Modaraba and accordingly no loss has been recorded against such land. Management is also making efforts to achieve out of court settlement and next date of hearing is 18th February, 2026 for further processing of the case. | | | |
| | | | (Un-audited) December 31, 2025 | (Audited) June 30, 2025 |
| 5.2 | Right of use assets | | -----Rupees----- | |
| | 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 | | <u>(1,986,953)</u> | <u>(3,860,426)</u> |
| | Closing balalnce | | <u>8,853,004</u> | <u>10,839,957</u> |
| 6 | MURABAHA FINANCES | | | |
| | Considered good | | 11,015,899 | 17,357,111 |
| | Considered doubtful | | 36,509,995 | 36,755,652 |
| | Provision for doubtful long term murabaha finan | | <u>(7,656,126)</u> | <u>(6,673,778)</u> |
| | | | 39,869,768 | 47,438,985 |
| | Current portion | | <u>(35,170,950)</u> | <u>(40,282,404)</u> |
| | Non-current portion | | <u>4,698,818</u> | <u>7,156,581</u> |
| 7 | DIMINISHING MUSHARAKAH FINANCING | | | |
| | Considered good | | 206,081,250 | 222,089,949 |
| | Considered doubtful | | 8,334,681 | - |
| | Current portion | | <u>(76,896,561)</u> | <u>(74,237,249)</u> |
| | Provision for Diminishing Musharakah finances | | <u>(4,142,115)</u> | <u>(3,734,822)</u> |
| | Non-current portion | | <u>133,377,255</u> | <u>144,117,878</u> |

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED DECEMBER 31, 2025

| | | (Un-audited) Dec 31, 2025 | (Audited) Jun 30, 2025 |
|-------------|---|--------------------------------------|-------------------------------|
| 8 | DEFERRED TAXATION | -----Rupees----- | |
| | Taxable / (deductible) temporary difference in respect of: | | |
| | Fixed assets in own use | 2,226,072 | 2,068,858 |
| | Right of use assets | 2,567,371 | 3,143,588 |
| | Provision for short term Murabaha finances | (5,800) | (5,800) |
| | Provision for doubtful Ijarah rental receivables | (364,696) | (366,862) |
| | Provision for doubtful Murabaha finances | (1,915,022) | (1,915,022) |
| | Provision for short term Musharakah finances | (91,254) | (93,108) |
| | Provision for Diminishing Musharakah finances | (1,201,213) | (1,083,098) |
| | Unrealized loss on revaluation of financial - assets at fair value through profit or loss | (253,369) | (265,500) |
| | Lease liabilities against right of use assets | (2,460,397) | (2,900,026) |
| | | <u>(1,498,308)</u> | <u>(1,416,970)</u> |
| 9 | MURABAHA FINANCES - SECURED | | |
| | Considered doubtful | | |
| | - Regular parties | - | 5,000,000 |
| | - Parties under litigation | 33,800,000 | 28,800,000 |
| | | <u>33,800,000</u> | <u>33,800,000</u> |
| | Provision for doubtful long term murabaha finances | (8,440,000) | (8,420,000) |
| | | <u>25,360,000</u> | <u>25,380,000</u> |
| 10 | IJARAH RENTAL RECEIVABLES - SECURED | | |
| | Considered good | 48,201 | 470,042 |
| | Parties under litigation - considered doubtful | 5,026,212 | 5,026,212 |
| | Suspended ijarah income - considered doubtful | (843,499) | (843,499) |
| | Provision for doubtful ijarah rental receivables | (1,257,574) | (1,265,040) |
| | | <u>2,973,340</u> | <u>3,387,715</u> |
| 10.1 | These are secured against ijarah assets and personal guarantees. In some ijarahs, additional collateral is also obtained in the form of mortgaged property. The Modaraba is entitled to repossess and sell the ijarah assets in case of default by the customers. | | |
| | | (Un-audited) December 31, 2025 | (Audited) June 30, 2025 |
| 11 | MUSHARAKAH FINANCES | -----Rupees----- | |
| | Considered good | 20,788,000 | 10,499,750 |
| | Provision for Musharakah finances | (314,670) | (321,061) |
| | | <u>20,473,330</u> | <u>10,178,689</u> |
| 12 | SHORT TERM INVESTMENTS | | |
| | Financial assets at fair value through profit or loss: | | |
| | Shares of listed companies | 18,926,805 | 14,287,295 |
| | | <u>18,926,805</u> | <u>14,287,295</u> |

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2025

12.1 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 | December 31, 2025 | | June 30, 2025 | |
|--|---------------|----------------------------------|-------------------|-------------------|-------------------|-------------------|
| December 31, 2025 | June 30, 2025 | | Average Cost | Market Value | Average Cost | Market Value |
| -----Rupees----- | | | | | | |
| CEMENT | | | | | | |
| 5,000 | - | Fauji Cement Company Limited | 284,891 | 279,750 | - | - |
| | | | <u>284,891</u> | <u>279,750</u> | <u>-</u> | <u>-</u> |
| OIL & GAS MARKETING COMPANIES | | | | | | |
| - | 10,000 | Sui Southern Gas Company Limited | - | - | 376,996 | 427,900 |
| 1,500 | - | Mari Energies Limited | 1,055,601 | 1,073,835 | - | - |
| | | | <u>1,055,601</u> | <u>1,073,835</u> | <u>376,996</u> | <u>427,900</u> |
| REFINERY | | | | | | |
| - | 20,000 | Pakistan Refinery Limited | - | - | 717,236 | 678,600 |
| 320,000 | 320,000 | Cnergyco Pk Limited | 2,628,231 | 2,355,200 | 2,628,231 | 2,281,600 |
| | | | <u>2,628,231</u> | <u>2,355,200</u> | <u>3,345,467</u> | <u>2,960,200</u> |
| POWER GENERATION & DISTRIBUTION | | | | | | |
| 4,000 | 10,000 | Hub Power Company | 880,556 | 885,520 | 1,354,090 | 1,378,100 |
| | | | <u>880,556</u> | <u>885,520</u> | <u>1,354,090</u> | <u>1,378,100</u> |
| FOOD & PERSONAL CARE PRODUCTS | | | | | | |
| 75,000 | - | Fauji Foods Limited | 1,494,014 | 1,551,000 | - | - |
| | | | <u>1,494,014</u> | <u>1,551,000</u> | <u>-</u> | <u>-</u> |
| PHARMACEUTICALS | | | | | | |
| 25,000 | 50,000 | Citi Pharma Limited | 2,247,621 | 2,115,000 | 4,547,833 | 4,198,500 |
| - | 10,000 | The Searle Company Limited | - | - | 887,028 | 877,000 |
| | | | <u>2,247,621</u> | <u>2,115,000</u> | <u>5,434,861</u> | <u>5,075,500</u> |
| TECHNOLOGY & COMMUNICATION | | | | | | |
| 60,000 | 50,000 | Octopus Digital Limited | 3,490,012 | 2,616,600 | 3,047,250 | 2,575,000 |
| | | | <u>3,490,012</u> | <u>2,616,600</u> | <u>3,047,250</u> | <u>2,575,000</u> |
| CHEMICALS | | | | | | |
| 75,000 | 40,000 | Engro Polymer & Chemical Limited | 2,720,678 | 2,445,000 | 1,707,262 | 1,262,000 |
| | | | <u>2,720,678</u> | <u>2,445,000</u> | <u>1,707,262</u> | <u>1,262,000</u> |
| BANKS | | | | | | |
| 170,000 | - | Bank Islami Pakistan Limited | 5,814,328 | 5,604,900 | - | - |
| | | | <u>5,814,328</u> | <u>5,604,900</u> | <u>-</u> | <u>-</u> |
| PAPER, BOARD & PACKAGING | | | | | | |
| - | 19,500 | Century Paper and Board Mills | - | - | 790,112 | 608,595 |
| | | | <u>-</u> | <u>-</u> | <u>790,112</u> | <u>608,595</u> |
| | | | <u>20,615,932</u> | <u>18,926,805</u> | <u>16,056,038</u> | <u>14,287,295</u> |

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED DECEMBER 31, 2025**

| | | (Un-audited) Dec 31, 2025 | (Audited) Jun 30, 2025 |
|---|-------------|------------------------------|---------------------------|
| | Note | -----Rupees----- | |
| 13 ADVANCES, PREPAYMENTS AND OTHER RECEIVABLES | | | |
| Advance against expenses | | - | 22,222 |
| Loans to / receivable from employees - considered good | | 259,000 | 399,000 |
| Prepayments | | 5,039,863 | 4,927,915 |
| Accrued profit (secured - considered good) | | 4,310,776 | 2,353,774 |
| Legal suits' charges receivable (secured - considered good) | 13.1 | 2,335,512 | 2,204,112 |
| Sundry receivables (unsecured - considered good) | | 4,514,917 | 384,474 |
| | | 16,460,068 | 10,291,497 |
| 13.1 Legal suits' charges receivable | | | |
| Opening balance | | 2,723,002 | 2,718,002 |
| Expenses incurred | | 131,400 | 5,000 |
| Gross amount | | 2,854,402 | 2,723,002 |
| Allowance for doubtful legal suits' charges receivables | | (518,890) | (518,890) |
| | | 2,335,512 | 2,204,112 |
| 14 CASH AND BANK BALANCES | | | |
| - Current accounts | | 25,236 | 27,538 |
| - Saving accounts | | 7,418,472 | 3,364,844 |
| | | 7,443,708 | 3,392,382 |
| Savings account - dividend | 15.1 | 5,622,629 | 5,647,679 |
| Balances with banks - total | | 13,066,337 | 9,040,061 |
| Cash in hand | | 45,819 | 26,302 |
| | | 13,112,156 | 9,066,363 |
| 15 UNCLAIMED PROFIT DISTRIBUTIONS | | | |
| Opening balance | | 13,697,088 | 12,828,131 |
| Add: dividend declared during the year | | - | 14,900,000 |
| Less: dividends paid | | (58,080) | (14,031,043) |
| Closing balance | 15.1 | 13,639,008 | 13,697,088 |

15.1 Management has maintained funds of Rs. 4,781,184 (June 30, 2025: Rs. 5,647,679) against unclaimed profit distribution of Rs. 13,639,008 (June 30, 2025: Rs. 13,697,088) resulting shortage of funds of Rs. 8,857,824 (June 30, 2025: Rs. 8,049,409). This shortage of funds of Rs. 8,049,409 relates to unclaimed profit distribution when Modaraba was managed by Trust Management Services (previous management company) from incorporation till 2009 when change of management took place through appointment of administrator by registrar under section 19 and 20 of Modaraba Companies and Modarabas (Flotation and Control) Ordinance, 1980. Modaraba has maintained complete funds for unclaimed profit distribution after acquisition of Al-Zamin Management Company Limited in 2009 till date.

16 CONTINGENCIES AND COMMITMENTS

16.1 Contingencies

There is no significant change in contingencies from the preceding annual published financial statements of the Modaraba for the year ended June 30, 2025.

16.2 Diminishing Musharaka commitments

The Modaraba has entered into Diminishing Musharaka arrangements for vehicles. These arrangements have remaining terms of less than five years. Such arrangements also include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions. Future installment payments due under these arrangements at the year end are as follows:

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2025

| | | (Un-audited) | | (Audited) | |
|--|---|-------------------|-------------------|--------------------|-------------------|
| | | Dec 31, 2025 | | Jun 30, 2025 | |
| | | -----Rupees----- | | | |
| Not later than one year | | 4,202,106 | | 4,553,496 | |
| Later than one year and not later than five years | | 8,811,276 | | 10,527,402 | |
| | | <u>13,013,382</u> | | <u>15,080,898</u> | |
| Disbursement of Ijarah / Murabaha / Musharakah to be made to customers | | - | | 11,000,000 | |
| | | Half Year Ended | | Quarter Year Ended | |
| | | December 31, | | December 31, | |
| | | 2025 | 2024 | 2025 | 2024 |
| | | -----Rupees----- | | | |
| 17 | INCOME FROM IJARAH - NET | Note | | | |
| | Income from leasing and Ijarah operations | 8,235,541 | 15,367,098 | 3,955,310 | 6,591,699 |
| | Less: depreciation on fixed assets given on ijarah | (5,253,377) | (9,374,744) | (2,389,046) | (3,865,044) |
| | Less: insurance on ijarah assets | (568,420) | (1,391,892) | (277,246) | (743,783) |
| | | <u>2,413,744</u> | <u>4,600,462</u> | <u>1,289,018</u> | <u>1,982,872</u> |
| 18 | PROFIT ON MURABAHA FINANCES | | | | |
| | Profit on murabaha finances | 1,478,702 | 2,050,880 | 770,985 | 971,589 |
| | Income suspended during the year | (20,000) | (20,000) | (20,000) | - |
| | Reversal of suspension income | 381,304 | 76,044 | 381,304 | 76,044 |
| | | <u>1,840,006</u> | <u>2,106,924</u> | <u>1,132,289</u> | <u>1,047,633</u> |
| 19 | PROFIT ON DIMINISHING MUHSARAKAH / MUSHARAKAH FINANCES | | | | |
| | Profit on musharakah finances | 31,071,009 | 28,369,064 | 15,743,941 | 14,015,291 |
| | Income suspended during the year | (1,002,438) | - | (516,155) | - |
| | Less: commission of selling agent | (322,500) | (282,500) | - | - |
| | Less: takaful on diminishing musharakah | (3,529,620) | (2,946,245) | (1,825,004) | (1,565,977) |
| | | <u>26,216,451</u> | <u>25,140,319</u> | <u>13,402,782</u> | <u>12,449,314</u> |
| 20 | OPERATING EXPENSES | | | | |
| | Salaries, allowances and other benefits | 10,703,467 | 9,875,409 | 5,169,412 | 5,022,578 |
| | Repairs and maintenance | 1,872,078 | 1,122,544 | 1,098,742 | 436,138 |
| | Depreciation on right of use assets | 1,986,953 | 1,879,479 | 996,479 | 980,583 |
| | Fees and subscription | 1,734,550 | 1,975,084 | 921,420 | 1,169,825 |
| | Vehicle running | 1,476,113 | 1,370,585 | 693,162 | 692,214 |
| | Unwinding of lease liabilities | 803,198 | 1,335,350 | 184,379 | 693,264 |
| | Telephone, postage and courier | 746,379 | 795,344 | 352,362 | 420,477 |
| | Rent, rates and taxes | 640,065 | 1,226,415 | 288,000 | 923,850 |
| | Depreciation on own assets | 597,019 | 483,501 | 336,626 | 217,955 |
| | Legal and professional charges | 522,425 | 150,000 | 292,425 | 70,000 |
| | Electricity, gas and water | 469,785 | 739,167 | 109,940 | 280,332 |
| | Printing and stationery | 406,081 | 469,692 | 280,136 | 314,635 |
| | Office supply | 349,960 | 91,320 | 171,049 | 91,320 |
| | Amortization on intangible assets | 192,553 | 203,664 | 90,721 | 101,832 |
| | Entertainment | 144,058 | 471,931 | 64,258 | 186,152 |
| | Auditors' remuneration | 150,000 | 118,800 | 150,000 | 118,800 |
| | Insurance | 72,375 | 88,371 | 27,720 | 54,703 |
| | Advertisement | 41,514 | 110,483 | 41,514 | 110,483 |
| | Sales tax | 30,642 | 37,638 | 10,352 | 11,044 |
| | Bank charges and commission | 19,953 | 8,367 | 6,411 | 5,952 |
| | Traveling and conveyance | 5,320 | 309,268 | 5,320 | 145,237 |
| | Newspaper and periodicals | 1,495 | 7,240 | 1,495 | 3,830 |
| | Miscellaneous | 201,860 | 381,101 | 165,150 | 327,796 |
| | | <u>23,167,843</u> | <u>23,250,753</u> | <u>11,457,073</u> | <u>12,379,000</u> |

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED DECEMBER 31, 2025

| | Half Year Ended | | Quarter Year Ended | | |
|---|--|-------------------|---------------------|--------------------|------------|
| | December 31, | | December 31, | | |
| | 2025 | 2024 | 2025 | 2024 | |
| -----Rupees----- | | | | | |
| 21 EARNINGS PER CERTIFICATE - BASIC AND DILUTED | | | | | |
| Profit for the period | Rupees | <u>8,020,070</u> | 14,953,836 | <u>5,576,764</u> | 8,782,534 |
| Weighted average number of certificates | Number | <u>29,800,000</u> | 29,800,000 | <u>29,800,000</u> | 29,800,000 |
| Earnings per certificate | Rupees | <u>0.27</u> | 0.50 | <u>0.19</u> | 0.29 |
| 21.1 | There is no dilution effect on the basic earnings per certificate of the Modaraba. | | | | |
| | | | (Un-audited) | (Un-audited) | |
| | | | December 31, | December 31, | |
| | | | 2025 | 2024 | |
| | | | | (Restated) | |
| -----Rupees----- | | | | | |
| 22 CASH GENERATED FROM OPERATIONS | | | | | |
| Profit before taxation and levy | Note | | 11,156,073 | 17,289,452 | |
| Adjustments for non-cash and other items: | | | | | |
| - Depreciation: | | | | | |
| Under ijarah | | | 5,253,377 | 9,374,744 | |
| In own use | 5.1 | | 597,019 | 483,501 | |
| Right of use assets | 5.2 | | 1,986,953 | 1,879,479 | |
| - Amortization on intangible assets | | | 192,553 | 203,664 | |
| - Provision for doubtful receivables | | | 261,494 | 325,589 | |
| - Gain on disposal of ijarah assets | | | (719,938) | (1,908,293) | |
| - Gain on disposal of own assets | | | (1,225,500) | (959,000) | |
| - (Gain) on sale of long term investment | | | - | (797,752) | |
| - (Gain) on sale of short term investment | | | (3,162,915) | (3,210,301) | |
| - Unrealized (gain) on revaluation of held for trading investment | | | (79,613) | (3,391,483) | |
| - Unwinding of lease liabilities | | | 803,198 | 1,335,350 | |
| - Workers' Welfare Fund | | | (231,614) | (352,846) | |
| - Dividend income | | | (205,514) | (429,000) | |
| | | | <u>3,469,500</u> | <u>2,553,652</u> | |
| Operating profit before working capital changes | | | <u>14,625,573</u> | <u>19,843,104</u> | |
| Decrease / (increase) in current assets | | | | | |
| - Advances, deposits, prepayments and other receivables | | | (6,168,571) | (2,680,150) | |
| - Short term murabaha finances | | | 20,000 | 20,000 | |
| - Short term musharakah finances | | | (10,294,641) | 2,503,564 | |
| - Ijarah rental receivables | | | 414,375 | 563,067 | |
| Increase / (decrease) in current liabilities | | | | | |
| - Charity payable | | | (57,304) | 43,352 | |
| - Creditors, accrued and other liabilities | | | (2,150,810) | (5,460,124) | |
| | | | <u>(18,236,951)</u> | <u>(5,010,291)</u> | |
| Cash (used in) / generated from operations | | | <u>(3,611,378)</u> | <u>14,832,813</u> | |

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2025

23 REMUNERATION OF EXECUTIVES / KEY MANAGEMENT PERSONNEL

Aggregate amounts charged in the condensed interim financial statements for the period as remuneration and benefits to executives / key management personnel of the Modaraba are as follows:

| | Chief Executives Officer | Executives | Others |
|-----------------------------|-----------------------------|------------------|------------------|
| | -----Rupees----- | | |
| Basic salary | - | 4,022,946 | 2,304,050 |
| House rent allowance | - | 1,609,021 | 921,446 |
| Medical allowance | - | 453,177 | 337,121 |
| Other allowances | - | 41,550 | 486,569 |
| Retirement benefits | - | 356,156 | 171,432 |
| | - | 6,482,850 | 4,220,618 |
| Number of person(s) | 1 | 6 | 12 |

Out of six, four Executives have been provided with modaraba maintained cars and are also entitled for reimbursement of fuel expenses. As per fourth schedule to the Companies Act, 2017, "Executive" means an employee, other than the chief executive and directors, whose basic salary exceeds twelve hundred thousand rupees in a financial year.

24 TRANSACTIONS WITH RELATED PARTIES

| | | | Half year ended December 31 | | Quarter ended December 31 | |
|---|-----------------------------------|---|--------------------------------|-----------|------------------------------|------------------|
| | | | 2025 | 2024 | 2025 | 2024 |
| | | | -----Rupees----- | | | |
| Related party | Relationship | Nature of transaction | | | | |
| Al-Zamin Modaraba Management | Modaraba Management Company | Management fee and others | 1,286,744 | 1,993,480 | 672,730 | 1,138,712 |
| | | Office rent | 576,000 | 1,200,000 | 288,000 | 576,000 |
| | | Electric bill back-charged | 288,346 | 312,465 | 288,346 | 312,465 |
| Employees' Provident | Associated undertaking | Contribution for the period | 527,573 | 487,165 | 251,427 | 243,612 |
| Executives | Associated person | Loan given during the period | 250,000 | 200,000 | 250,000 | 200,000 |
| Executives | Associated person | Repayment of loan | 122,000 | 76,000 | 75,000 | 51,000 |
| Executives | Associated person | Gain on disposal | - | 2,163,240 | - | - |
| | | | | | (Un-audited) | (Audited) |
| | | | | | December 31, | June 30, |
| | | | | | 2025 | 2025 |
| | | | | | -----Rupees----- | |
| Outstanding Balance as at the period end | | | | | | |
| Related party | Relationship | Nature of transaction | | | | |
| Al-Zamin Modaraba Management | Modaraba Management Company | Payable against management fee and others | | | 1,286,744 | 2,686,354 |
| Executives | Associated person | Loan receivable from Ather Imam Vice President | | | 175,000 | 232,000 |
| Executives | Associated person | Payable to Ather Imam Vice President | | | 46,000 | 46,000 |
| Executives | Associated person | Payable to Hamida Aqeel Company Secretary | | | 620,000 | 620,000 |

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2025

25 SEGMENT REPORTING

An operating segment is a group of assets and operations engaged in providing products that are subject to risks and returns that are different from those of other business segments. The management has determined the operating segments based on the information that is presented to the Chief Executive Officer (Chief Operating Decision Maker) for allocation of resources and assessments of performance. Based on internal management reporting structure and products produced and sold, the Modaraba is organized into following four operating segments:

Types of segments

- Murabaha finances
- Ijarah finances
- Musharakah finances
- Investments

Nature of business

- Sale of goods under murabaha arrangement
- Giving right to the benefit of using an asset for a consideration
- Joint enterprise formed for conducting some business
- Investments made in equity instruments of other companies and other investments

No operating segments have been aggregated to or form the above reportable operating segments.

The Chief Executive Officer monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is generally evaluated based on certain key performance indicators including business volume, gross profit, profit from operations, reduction in operating cost and free cash flows.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties. There were no transfers between operating segments during the period. (2024: Nil)

25.1 Segment analysis

The segment information for the reportable segments for the half year ended December 31, 2025 is as follows:

| | December 31, 2025 | | | | December 31, 2024 | | | | | |
|---|-------------------|-----------------|---------------------|-------------|-------------------|-------------------|-----------------|---------------------|-------------|-------------|
| | Murabaha Finances | Ijarah Finances | Musharakah Finances | Investments | Total | Murabaha Finances | Ijarah Finances | Musharakah Finances | Investments | Total |
| Segment revenues / profits | | | | | | | | | | |
| Gross revenue from external customers | 1,630,006 | 8,755,465 | 28,806,586 | 3,368,429 | 42,560,486 | 1,712,425 | 14,948,899 | 27,794,612 | 3,639,301 | 48,095,237 |
| Depreciation | - | (5,253,377) | - | - | (5,253,377) | - | (9,374,744) | - | - | (9,374,744) |
| Insurance expense | - | (568,420) | (3,852,120) | - | (4,420,540) | - | (1,391,892) | (2,946,245) | - | (4,338,137) |
| Other income | 210,000 | 200,014 | 1,261,985 | - | 1,671,999 | 394,499 | 418,199 | 291,952 | - | 1,104,650 |
| Net revenue | 1,840,006 | 3,133,682 | 26,216,451 | 3,368,429 | 34,558,568 | 2,106,924 | 4,600,462 | 25,140,319 | 3,639,301 | 35,487,006 |
| Unrealized Profit / (loss) on revaluation of investments (Provision)/ Reversal for doubtful receivables | - | - | - | 79,613 | 79,613 | - | - | - | 3,391,483 | 3,391,483 |
| Reportable segment profit | 1,840,006 | 3,133,682 | 26,216,451 | 3,448,042 | 34,638,181 | 2,106,924 | 4,600,462 | 25,140,319 | 7,030,784 | 38,878,489 |
| Reportable segment assets | 67,565,280 | 24,088,072 | 238,667,098 | 18,926,805 | 349,247,255 | 72,537,595 | 46,492,852 | 218,475,415 | 18,493,650 | 355,999,512 |
| Reportable segment liabilities | 1,784,199 | 13,487,168 | - | - | 15,271,367 | 2,249,187 | 21,728,888 | - | - | 23,978,075 |
| Additions to non-current assets | - | - | - | - | - | - | - | - | - | - |

Rupees (Un-audited)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED DECEMBER 31, 2025

Reconciliation of reportable segments revenues, profit or loss, assets and liabilities is as follows:

| | (Un-audited) December 31, 2025 | (Un-audited) December 31, 2024 |
|--|--------------------------------------|--------------------------------------|
| Revenues | | |
| -----Rupees----- | | |
| Total revenues for reportable segments | 34,558,568 | 35,487,006 |
| Other revenues | 1,658,599 | 4,632,653 |
| Modaraba's revenues | <u>36,217,167</u> | <u>40,119,659</u> |
| Profit | | |
| Total profit for reportable segments | 34,638,181 | 38,878,489 |
| Other income | 1,658,599 | 4,632,653 |
| Provision for doubtful receivables | (261,494) | (325,589) |
| Operating expenses | (23,167,843) | (23,250,753) |
| Modaraba Management Company's fee | (1,286,744) | (1,993,480) |
| Services sales tax on the Management Company's fee | (193,012) | (299,022) |
| Workers' Welfare Fund | (231,614) | (352,846) |
| Taxation | (3,136,003) | (2,335,616) |
| | <u>8,020,070</u> | <u>14,953,836</u> |
| | (Un-audited) December 31, 2025 | (Audited) June 30, 2025 |
| Assets | | |
| -----Rupees----- | | |
| Total assets for reportable segments | 349,247,255 | 359,153,481 |
| Corporate assets unallocated: | | |
| Advances, prepayments and other receivables | 5,827,923 | 1,650,500 |
| Income tax refundable | 4,733,941 | 5,280,459 |
| Deferred taxation - net | 1,498,308 | 1,416,970 |
| Deposits | 294,662 | 294,662 |
| Fixed assets in own use | 26,567,797 | 24,559,177 |
| Intangible asset | 349,059 | 541,612 |
| Cash and bank balances | 13,112,156 | 9,066,363 |
| | <u>52,383,846</u> | <u>42,809,743</u> |
| Total assets as per the balance sheet | <u>401,631,101</u> | <u>401,963,224</u> |
| Liabilities | | |
| Total liabilities for reportable segments | 15,271,367 | 20,073,018 |
| Corporate liabilities unallocated: | | |
| Unclaimed profit distributions | 13,639,008 | 13,697,088 |
| Creditors, accrued and other liabilities | 7,409,279 | 9,328,475 |
| Charity payable | 51,304 | 108,608 |
| Lease liabilities against right of use assets | 8,484,126 | 10,000,088 |
| Total liabilities as per the balance sheet | <u>44,855,084</u> | <u>53,207,277</u> |

- 25.2 Certain liabilities, assets, other income and other operating charges of the Modaraba cannot be allocated to a specific segment. Accordingly, these amounts have been classified as unallocated.
- 25.3 There are no differences between the measurements of the reportable segments' profits or losses, assets and liabilities with the Modaraba's profits or losses, assets and liabilities.
- 25.4 There are no changes from prior years in the measurement methods used to determine reported segment profit or loss.
- 25.5 There are no asymmetrical allocations to reportable segments.
- 25.6 All non-current assets of the Modaraba are located in Pakistan as at the reporting date.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2025

| | | | (Un-audited) December 31, 2025 | (Audited) June 30, 2025 |
|----|---|-------------------|--------------------------------------|-------------------------------|
| 26 | SHARIAH SPECIFIC DISCLOSURES | Note | -----Rupees----- | |
| | i) Balance as at December 31, 2025: | | | |
| | <u>Liabilities</u> | | | |
| | Lease liabilities against right of use assets | | 6,274,805 | 7,269,660 |
| | <u>Assets</u> | | | |
| | Short term investments | Shariah compliant | 12 | 18,926,805 |
| | Cash and bank balances | Shariah compliant | 14 | 13,112,156 |
| | ii) Transactions for the period ended December 31, 2025: | | | |
| | Income from ijarah - net | Shariah compliant | 17 | 2,413,744 |
| | Profit on murabaha finances | Shariah compliant | 18 | 1,840,006 |
| | Profit on musharakah finances | Shariah compliant | 19 | 26,216,451 |
| | Dividend income on equity investments | Shariah compliant | | 205,514 |
| | Gain / (loss) on sale of short term investments | Shariah compliant | | 799,000 |
| | Other income | Shariah compliant | | 3,162,915 |
| | | | | 2,378,537 |
| | Source and detailed breakup of other income: | | | |
| | Gain on disposal of ijarah assets | Shariah compliant | | 719,938 |
| | Gain on disposal of owned fixed assets | Shariah compliant | | 1,225,500 |
| | Profit on deposit and saving accounts with banks | Shariah compliant | | 81,996 |
| | Miscellaneous income | Shariah compliant | | 351,103 |
| | | | | 1,908,293 |
| | | | | 2,150,460 |
| | | | | 378,779 |
| | | | | 834,762 |
| | Expense on ijarah assets: | | | |
| | Unwinding of lease liabilities | Shariah compliant | 20 | (803,198) |
| | iii) Names of the Company's shariah compliant financial institutions | | | |
| | 1. Meezan Bank Limited | | | Arrangement |
| | 2. First Habib Modaraba | | | Bank deposit |
| | 3. UDL Modaraba | | | Ijarah Assets |
| | | | | Ijarah Assets |
| | iv) Takaful operators: | | | |
| | Adamjee Insurance Company Limited | | | Window Takaful |
| | IGI General Insurance Limited | | | Window Takaful |
| | Security General Insurance Company Limited | | | Window Takaful |
| | Jubilee General Insurance Company Limited | | | Window Takaful |
| | Premier Insurance Limited | | | Window Takaful |
| | TPL Direct Insurance Limited | | | Window Takaful |

27 FAIR VALUE HIERARCHY

International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Modaraba to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs) (level 3).

The following table presents the Modaraba's assets and liabilities that are measured at fair value as at:

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED DECEMBER 31, 2025**

| December 31, 2025 (Un-audited) | Level 1 | Level 2 | Level 3 | Total |
|--------------------------------|-------------------|----------|----------|-------------------|
| <i>Assets</i> | | | | |
| Short term investment | <u>18,926,805</u> | - | - | <u>18,926,805</u> |
| | <u>18,926,805</u> | <u>-</u> | <u>-</u> | <u>18,926,805</u> |
| June 30, 2025 (Audited): | Level 1 | Level 2 | Level 3 | Total |
| <i>Assets</i> | | | | |
| Short term investment | <u>14,289,295</u> | - | - | <u>14,289,295</u> |
| | <u>14,289,295</u> | <u>-</u> | <u>-</u> | <u>14,289,295</u> |

During the half year ended December 31, 2025, there were no significant changes in the business or economic circumstances that affect the fair value of the Modaraba's financial assets and financial liabilities. Furthermore, there were no reclassifications of financial assets and there were no changes in valuation techniques during the period.

28 SUBSEQUENT EVENT

No such event or transaction has occurred subsequent to the balance sheet date, which may require adjustment and/or disclosure in the condensed interim financial statements.

29 AUTHORIZATION OF FINANCIAL STATEMENTS

These condensed interim financial statements is approved and authorized for issuance by the Board of Directors of the Management Company in its meeting held on 17th February, 2026.

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



CHIEF EXECUTIVE



DIRECTOR

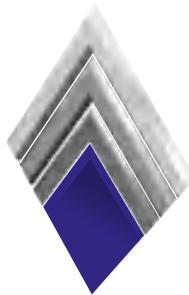


DIRECTOR



CHIEF FINANCIAL OFFICER





KARACHI

Principal Place of Business:

104-106, Kassam Court, BC-9,
Block-5, Clifton, Karachi-75600, Pakistan.

Tel: +92 (021) 3589 3369, 3587 3373

Fax: +92 (021) 3587 0408

E-mail: info@trustmodaraba.com

LAHORE

320, 3rd Floor, Garden Heights,
8-Aibak Block, New Garden Town,
Lahore, Pakistan.

Tel: +92 (042) 3594 1957

+92 (042) 3594 1958

Fax: +92 (042) 3586 6513