Trust Modaraba

Managed By:
Al-Zãmin Modaraba Management (Private) Limited.

QUARTERLY REPORT

September 30, 2025

www.trustmodaraba.com

CONTENTS

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

MANAGEMENT

Mr. Basheer Ahmed Chowdry	Chief Executive
Ms. Hamida Aqeel	Chief Operating Officer/Company Secretary

AUDIT COMMITTEE

Mr. Syed Etrat Hussain Rizvi	Chairman
Mr. Imran Iqbal	Member
Mr. Muhammad Yasin	Member
Mr. Muhammad Sami Ullah	Member
Ms. Hamida Aqeel	Chief Operating Officer

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	Chief Operating Officer

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 Assoicates

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 the unaudited financial statements of Trust Modaraba for the quarter ended on 30th September 2025.

ECONOMIC REVIEW

Pakistan's economy showed signs of stabilization and growth during the first quarter ended on 30th September 2025 with moderating inflation, increasing remittances and a primary surplus. The rebound in large-scale manufacturing sector, supported by encouraging trends in cement dispatches, automobile production, and allied industries indicates strengthening industrial momentum in the months ahead. The external sector is expected to remain stable with the current account deficit projected to stay manageable despite higher import demand. Monetary conditions remained stable and the stock market maintained its bullish momentum reflecting investors' confidence. Remittances continue to provide strong support, exports are showing early signs of recovery and declining global commodity prices may help ease the import bill.

Severe monsoon floods wrecked havoc in the country impacting the agriculture sector substantially. Flood-related disruptions may exert pressure on food supply chains, leading to an uptick in prices. As a result, inflation may rise temporarily but is expected to remain contained in the period ahead. Although flood induced disruptions pose temporary risks to growth targets, the overall macro economic indicators signal a stable outlook moving ahead.

PERFORMANCE REVIEW

It is encouraging to report that your Modaraba continued to depict satisfactory operating performance as is evident from the financial results achieved during the period under consideration. Income from core business operations comprising of diminishing musharakah, ijarah and murabahah transactions amounted to Rs.14.6 million as compared to Rs.16.4 million of the previous comparable period. The primary reason for this decline is attributed to substantial decrease in the policy rates by almost 11% since June, 2024, thereby reducing spread on financing portfolio. Pakistan Stock Exchange maintained its bullish momentum and the trading opportunity was prudently capitalized resulting in capital gain of Rs.1.8 million during the quarter ended on 30th September, 2025. Total revenue including other income and unrealized gain on revaluation of equity portfolio stood at Rs.17.9 million as compared to Rs.19.4 million of the previous comparable quarter. Operating expenses during the period under consideration increased by 7.7% over the previous comparable quarter. Profit before tax and management fee stood at Rs.6.14 million with an after tax profit of Rs.3.8 million achieved during the quarter ended on 30th September, 2025, The asset base of your Modaraba stood at Rs.403 million with an equity base of Rs.353 million.

Disbursements during the period under consideration amounted to Rs.33 million to clients having sound repayment capacity and strong financial position. Predominant mode of financing remained diminishing musharakah mainly for vehicle financing. As a result of substantial improvement in the risk profile of the Modaraba, no fresh provision was required to be made against the financing portfolio.

EARNINGS PER CERTIFICATE

Earnings per certificate of your Modaraba works out to Rs.0.13 for the period ended on 30th September, 2025.

The financial year has commenced on a positive note for your Modaraba. The management is committed to make every effort to achieve further progress and growth in the operations and profitability of the Modaraba based on sound and sustainable business operations.

For and on behalf of Trust Modaraba

23rd October, 2025

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 ۔

اقتصادی جائزہ

پاکستان کی معیشت نے 30 ستمبر 2025 کو ختم ہونے والی پہلی سہ ماہی کے دوران اعتدال پسند افراط زر ، ترسیلات زر میں اضافے اور بنیادی سرپلس کے ساتھ استحکام اور نمو کے آثار دکھائے ۔ سیمنٹ کی ترسیل، آٹوموبائل کی پیداوار، اور متعلقہ صنعتوں میں حوصلہ افزا رجحانات کی مدد سے بڑے پیمانے پر مینوفیکچرنگ کے شعبے میں بہتری آنے والے مہینوں میں صنعتی رفتار کو مضبوط بنانے کی نشاندہی کرتی ہے ۔ درآمدات کی زیادہ مانگ کے باوجود کرنٹ اکاؤنٹ خسارے کے قابل انتظام رہنے کی پیش گوئی کے ساتھ بیرونی شعبے کے مستحکم رہنے کی توقع ہے ۔ مالیاتی حالات مستحکم رہے اور اسٹاک مارکیٹ نے سرمایہ کاروں کے اعتماد کی عکاسی کرتے ہوئے اپنی تیزی برقرار رکھی ۔ ترسیلات زر مضبوط مدد فراہم کرتی رہتی ہیں، برآمدات بحالی کے ابتدائی اشارے دکھا رہی ہیں اور عالمی اجناس کی قیمتوں میں کمی سے درآمدی بل کو کم کرنے میں مدد مل سکتی ہے ۔

ملک میں مون سون کے شدید سیلاب نے زراعت کے شعبے کو کافی حد تک متاثر کیا ۔ بہر حال، سیلاب سے متعلق رکاوٹیں کھانے کی فراہمی کی زنجیروں پر دباؤ ڈال سکتی ہیں، جس کی وجہ سے قیمتوں میں اضافہ ہو سکتا ہے ۔ نتیجے کے طور پر، افراط زر عارضی طور پر بڑھ سکتا ہے لیکن توقع ہے کہ آنے والی مدت میں اس پر قابو پایا جائے گا ۔ اگرچہ سیلاب کی وجہ سے پیدا ہونے والی رکاوٹیں ترقی کے اہداف کے لئے عارضی خطرات کا باعث بنتی ہیں، لیکن مجموعی طور پر میکرو اقتصادی اشارے ایک مستحکم نقطہ نظر کی طرف اشارہ کرتے ہیں جو آگے بڑھ رہا ہے ۔

کارکردگی کا جائزہ

یہ رپورٹ کرنا حوصلہ افزا ہے کہ آپ کے موڈارابا نے اطمینان بخش آپریٹنگ کارکردگی کی عکاسی جاری رکھی ہے جیسا کہ زیر غور مدت کے دوران حاصل کردہ مالی نتائج سے ظاہر ہوتا ہے ۔ کم ہوتی مشارکہ، اعجاز اور مرابحہ ٹرانزیکشنز پر مشتمل بنیادی کاروباری آپریشنز سے آمدنی گزشتہ موازنہ مدت کے 16.4 ملین روپے کے مقابلے میں 14.6 ملین روپے تھی ۔ اس کمی کی بنیادی وجہ جون، 2024 کے بعد سے پالیسی کی شرحوں میں تقریبا 11 فیصد کمی کو قرار دیا گیا ہے، جس سے فنانسنگ پورٹ فولیو پر پھیلاؤ میں کمی واقع ہوئی ہے ۔ پاکستان اسٹاک ایکسچینج نے اپنی تیزی کی رفتار کو برقرار رکھا اور 30 ستمبر، 2025 کو ختم ہونے والی سہ ماہی کے دوران تجارتی موقع کو دانشمندی سے سرمائے میں تبدیل کیا گیا جس کے نتیجے میں 1.8 ملین روپے کا سرمایہ حاصل ہوا ۔ ایکویٹی پورٹ فولیو کی دوبارہ تشخیص پر دیگر آمدنی اور غیر حقیقی فائدہ سمیت کل آمدنی 17.9 ملین روپے رہی جو پچھلی موازنہ سہ ماہی کے 19.4 ملین روپے کے مقابلے میں ہے ۔ زیر غور مدت کے دوران آپریٹنگ اخراجات میں پچھلی موازنہ سہ ماہی کے مقابلے میں 7.7 فیصد اضافہ ہوا ۔ 30 ستمبر، 2025 کو ختم ہونے والی سہ ماہی کے دوران حاصل کردہ 3.8 ملین روپے کے بعد ٹیکس اور مینجمنٹ فیس سے پہلے کا منافع 6.14 ملین روپے تھا ، آپ کے موڈربا کا اثاثہ بیس 353 ملین روپے کی ایکویٹی بیس کے ساتھ 403 ملین روپے تھا ۔

زیر غور مدت کے دوران ادائیگی کی گنجائش اور مضبوط مالی حیثیت رکھنے والے مؤکلوں کو 33 ملین روپے کی ادائیگی کی گئی ۔ مالی اعانت کا اہم طریقہ بنیادی طور پر گاڑیوں کی مالی اعانت کے لئے مشارکہ کو کم کرتا رہا ۔ موڈارابا کے رسک پروفائل میں خاطر خواہ بہتری کے نتیجے میں، فنانسنگ پورٹ فولیو کے خلاف کوئی نئی فراہمی کرنے کی ضرورت نہیں تھی ۔

فی سرٹیفکیٹ کمائیاں

30 ستمبر، 2025 کو ختم ہونے والی مدت کے لئے آپ کے موڈارابا کی فی سرٹیفکیٹ کمائی 0.13 روپے ہے ۔

مالی سال کا آغاز آپ کے موڈربا کے لئے ایک مثبت نوٹ پر ہوا ہے ۔ انتظامیہ مستحکم اور پائیدار کاروباری آپریشنز کی بنیاد پر موڈربا کے آپریشنز اور منافع میں مزید پیشرفت اور ترقی حاصل کرنے کے لئے ہر ممکن کوشش کرنے کے لئے پرعزم ہے ۔

ٹرسٹ موڈربا کے لیے اور اس کی جانب سے

چیف ایگزیکٹو

ڈائریکٹر

23 اکتوبر، 2025

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT SEPTEMBER 30, 2025

	Note	(Un-audited) 30-Sep-25	(Audited) 30-Jun-25
ASSETS	**Note**	-------------------Rupees------------------	
Non-current assets			
Ijarah assets	3	**28,374,337**	31,484,673
Fixed assets	4	**23,451,166**	24,559,177
Intangible asset	5	**439,780**	541,612
Murabaha finances	6	**5,924,049**	7,156,581
Diminishing musharakah financing	7	**134,751,249**	144,117,878
Long term deposits		**294,662**	294,662
Deferred taxation - net		**1,416,970**	1,416,970
Total non-current assets		**194,652,213**	209,571,553
Current assets			
Current portion of long term murabaha finances	6	**38,081,699**	40,282,404
Current portion of diminishing musharakah finances	7	**75,633,221**	74,237,249
Murabaha finances - secured	8	**25,380,000**	25,380,000
Ijarah rental receivables - secured		**4,037,704**	3,387,715
Musharakah finances (secured - considered good)	9	**21,178,689**	10,178,689
Short term investments	10	**17,800,075**	14,287,295
Income tax refundable		**4,901,881**	5,280,459
Advances, prepayments and other receivables	11	**12,005,802**	10,291,497
Cash and bank balances		**8,853,757**	9,066,363
Total current assets		**207,872,828**	**192,391,671**
Total assets		**402,525,041**	**401,963,224**
EQUITY AND LIABILITIES			
LIABILITIES			
Non-current liabilities			
Deferred income on murabaha		**709,715**	1,009,498
Customers' long term security deposits		**10,910,118**	11,179,368
Lease liabilities against right of use assets		**6,968,938**	7,269,660
Total non-current liabilities		**18,588,771**	**19,458,526**
Current liabilities			
Current portion of deferred income on murabaha		**1,635,468**	2,043,402
Current portion of customers' security deposits		**5,990,000**	5,840,750
Current portion of lease liabilities against right of use assets		**2,291,095**	2,730,428
Unclaimed profit distributions		**13,697,088**	13,697,088
Creditors, accrued and other liabilities	12	**7,757,854**	9,328,475
Charity payable		**27,824**	108,608
Total current liabilities		**31,399,329**	**33,748,751**
Total liabilities		**49,988,100**	**53,207,277**
NET ASSETS		**352,536,941**	**348,755,947**
REPRESENTED BY			
CAPITAL AND RESERVES			
Certificate capital		**298,000,000**	298,000,000
Reserves		**54,536,941**	50,755,947
Total equity		**352,536,941**	**348,755,947**
Contingencies and commitments	13		

The annexed notes from 1 to 21 form an integral part of these 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 ENDED SEPTEMBER 30, 2025

	Note	**September 2025**	September 2024
		-------------------Rupees-------------------	
Income from ijarah - net	14	**1,124,726**	2,617,590
Profit on murabaha finances		**707,717**	1,059,291
Profit on musharakah finances		**12,813,669**	12,691,005
Dividend income on equity investments		**-**	212,500
Gain / (loss) on sale of short term investments		**1,778,787**	499,471
Other income	15	**427,499**	3,621,748
		16,852,398	20,701,605
Unrealized gain on revaluation of financial assets at fair value through profit or loss		**998,511**	(1,282,177)
		17,850,909	19,419,428
Operating expenses	16	**(11,710,770)**	(10,871,753)
		6,140,139	8,547,675
Modaraba Management Company's fee		**(614,014)**	(854,768)
Services sales tax on the Management Company's remuneration		**(92,102)**	-
Workers' Welfare Fund		**(108,680)**	(153,858)
Profit before taxation and levy		**5,325,343**	7,539,049
Levy, minimum tax and final taxes		**-**	-
Profit before taxation		**5,325,343**	7,539,049
Taxation		**(1,544,349)**	(1,245,513)
Profit for the period after taxation		**3,780,994**	6,293,536
Earnings per certificate - basic and diluted	17	**0.127**	0.210

The annexed notes from 1 to 21 form an integral part of these 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 ENDED SEPTEMBER 30, 2025

	Note	**September 2025**	September 2024
		---Rupees---	
Profit for the period		**3,780,994**	6,293,536
Other comprehensive income :			
Items that will not be reclassified to profit and loss account			
- Net change in fair value of investments classified as fair value through other comprehensive income - net of tax		-	(6,800)
Items that may be reclassified subsequently to profit and loss account		-	-
Other comprehensive income for the period		-	(6,800)
Total comprehensive income for the period		**3,780,994**	6,286,736

The annexed notes from 1 to 21 form an integral part of these 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 QUARTER ENDED SEPTEMBER 30, 2025

Particulars	Certificate capital	Capital reserves	Revenue reserves	Total reserves	Total equity
		Statutory reserve	Accumulated losses		
	(Rupees)				
Balance as at June 30, 2024 - restated	298,000,000	87,956,748	(40,690,899)	47,265,849	345,265,849
Net profit for the period	-	-	6,293,536	6,293,536	6,293,536
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	6,293,536	6,293,536	6,293,536
Balance as at September 30, 2024	298,000,000	87,956,748	(34,397,363)	53,559,385	351,559,385
Balance as at June 30, 2025	298,000,000	91,634,768	(40,878,821)	50,755,947	348,755,947
Net profit for the period	**-**	**-**	**3,780,994**	**3,780,994**	**3,780,994**
Other comprehensive income for the period	**-**	**-**	**-**	**-**	**-**
Total comprehensive income for the period	**-**	**-**	**3,780,994**	**3,780,994**	**3,780,994**
Balance as at September 30, 2025	**298,000,000**	**91,634,768**	**(37,097,827)**	**54,536,941**	**352,536,941**

The annexed notes from 1 to 21 form an integral part of these 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 QUARTER ENDED SEPTEMBER 30, 2025

	Note	September 2025	September 2024
CASH FLOWS FROM OPERATING ACTIVITIES		------------------Rupees---------------	
Cash generated from operations			
Cash generated from operations	18	**(7,703,361)**	4,726,085
Decrease / (Increase) in non-current assets:			
- Long term murabaha finances		**3,433,237**	(2,164,507)
- Long term musharakah finances		**7,970,657**	(10,099,973)
(Decrease) / Increase in non-current liabilities:			
- Deferred income on murabaha		**(707,717)**	78,817
Proceeds from disposal of ijarah assets		**197,557**	6,557,662
Income tax paid / deducted		**(1,165,771)**	(1,488,207)
Net cash generated from / (used in) operating activities		**2,024,602**	(2,390,123)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of owned assets		**(142,857)**	-
Proceeds from disposal of owned assets		**-**	1,175,000
Disposal of investments - net		**(735,477)**	5,343,814
Dividends received		**-**	-
Net cash generated from investing activities		**(878,334)**	6,518,814
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment made against lease liability		**(1,358,874)**	(2,285,720)
Profit distributed to certificate holders		**-**	(28,350)
Net cash used in financing activities		**(1,358,874)**	(2,314,070)
Net (decrease) / increase in cash and cash equivalents		**(212,606)**	1,814,621
Cash and cash equivalents at the beginning of the year		**9,066,363**	10,384,061
Cash and cash equivalents at the period		**8,853,757**	12,198,682

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

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

CHIEF EXECUTIVE DIRECTOR DIRECTOR CHIEF FINANCIAL OFFICER

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 should be read in conjunction with annual audited financial statements for the year ended June 30, 2025. Comparative statement of financial position is extracted from annual audited financial statements for the year ended June 30, 2025 whereas comparative statement profit and loss, comparative statement of comprehensive income, comparative cash flows statement and comparative statement of changes in equity are extracted from unaudited interim financial statements for the quarter ended September 30, 2024.

2.3 These condensed interim financial statements are unaudited.

2.4 Critical accounting estimates

The preparation of these condensed interim financial statements 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. 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.

2.5 Functional and presentation

These condensed interim un-audited financial statements are 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.

2.6 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 financial statements.

		Note	(Un-audited) September 30, 2025	(Audited) June 30, 2025
3	**FIXED ASSETS GIVEN ON LEASE/IJARAH - TANGIBLE**	**Note**	----------Rupees----------	
	Operating fixed assets given on lease (ijarah) - tangible	3.1	**28,374,337**	31,484,673
3.1	**Operating fixed assets given on lease (ijarah) - tangible**			
	Opening written down value		**31,484,673**	74,450,750
	Additions during the period / year		**-**	-
	Disposals during the period / year		**(246,000)**	(27,082,478)
			31,238,673	47,368,272
	Depreciation charge for the period / year		**(2,864,336)**	(15,883,599)
			28,374,337	31,484,673
4	**FIXED ASSETS IN OWN USE**			
	Fixed assets in own use	4.1	**13,601,683**	13,719,220
	Right of use assets	4.2	**9,849,483**	8,968,532
			23,451,166	22,687,752
4.1	**Fixed assets in own use**			
	Opening written down value		**13,719,220**	13,979,664
	Additions during the period / year		**142,857**	981,626
	Disposals during the period / year		**-**	(248,780)
			13,862,077	14,712,510
	Depreciation charge for the period / year		**(260,394)**	(993,290)
			13,601,683	13,719,220
4.2	**Right of use assets**			
	Opening written down value		10,839,957	8,968,532
	Additions during the period / year		-	5,731,851
			10,839,957	14,700,383
	Depreciation charge for the period / year		(990,474)	(3,860,426)
	Closing balalnce		**9,849,483**	10,839,957
5	**INTANGIBLE ASSET**			
	Cost			
	Balance at beginning of the year		**2,272,000**	2,272,000
	Additions during the period		**-**	-
	Closing balance		**2,272,000**	2,272,000
	Accumulated amortisation			
	Balance at beginning of the year		**1,730,388**	1,323,060
	Charged during the period		**101,832**	407,328
	Closing balance		**1,832,220**	1,730,388
	Written down value		**439,780**	541,612
	Rate %		**33%**	33%

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED SEPTEMBER 30, 2025

			(Un-audited) 30-Sep-25	(Audited) 30-Jun-25
6	**MURABAHA FINANCES - SECURED**			
	Considered good		**13,923,875**	17,357,111
	Considered doubtful		**36,755,652**	36,755,652
	Provision for doubtful long term murabaha finances		**(6,673,779)**	(6,673,778)
			44,005,748	47,438,985
	Current portion		**(38,081,699)**	(40,282,404)
	Non-current portion		**5,924,049**	7,156,581
7	**DIMINISHING MUSHARAKAH FINANCING - SECURED**			
	Considered good		**208,676,083**	222,089,949
	Considered doubtful		**5,929,492**	-
	Current portion		**(75,633,221)**	(74,237,249)
	Provision for Diminishing Musharakah finances		**(3,734,822)**	(3,734,822)
	Supended incme for Diminishing Musharakah finances		**(486,283)**	-
	Non-current portion		**134,751,249**	144,117,878
8	**MURABAHA FINANCES - SECURED**			
	Considered good		**-**	-
	Considered doubtful			
	- Regular parities		5,000,000	5,000,000
	- Parties under litigation		28,800,000	28,800,000
			33,800,000	33,800,000
	Provision for doubtful long term murabaha finances		**(8,420,000)**	(8,420,000)
			25,380,000	25,380,000
9	**MUSHARAKAH FINANCES - SECURED**			
	Considered good		**21,499,750**	10,499,750
	Provision for Musharakah finances		**(321,061)**	(321,061)
			21,178,689	10,178,689
10	**SHORT TERM INVESTMENTS**			
	Financial assets at fair value through profit or loss:			
	Shares of listed companies	10.1	**17,800,075**	14,287,295
			17,800,075	14,287,295

10.1 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	September 30, 2025		June 30, 2025	
September 2025	June 2025		Average Cost	Market Value	Average Cost	Market Value
			--------Rupees--------			
		CEMENT				
12,975	-	Maple Leaf Cement Limited	1,395,886	1,422,190	-	-
			1,395,886	1,422,190	-	-
		OIL & GAS MARKETING COMPANIES				
-	10,000	Sui Southern Gas Company Limited	-	-	376,996	427,900
500	-	Mari Energies Limited	367,731	370,520	-	-
			367,731	370,520	376,996	427,900
		REFINERY				
30,000	20,000	Pakistan Refinery Limited	1,019,889	1,108,500	717,236	678,600
320,000	320,000	Cnergyico Pk Limited	2,628,231	2,665,600	2,628,231	2,281,600
			3,648,120	3,774,100	3,345,467	2,960,200
		POWER GENERATION & DISTRIBUTION				
-	10,000	Hub Power Company	-	-	1,354,090	1,378,100
			-	-	1,354,090	1,378,100
		FOOD & PERSONAL CARE PRODUCTS				
20,000	-	Fauji Foods Limited	368,009	446,800	-	-
			368,009	446,800	-	-
		PHARMACEUTICALS				
20,000	50,000	Citi Pharma Limited	1,819,133	2,005,600	4,547,833	4,198,500
-	10,000	The Searle Company Limited	-	-	887,028	877,000
			1,819,133	2,005,600	5,434,861	5,075,500
		TECHNOLOGY & COMMUNICATION				
50,000	50,000	Octopus Digital Limited	3,047,250	2,674,500	3,047,250	2,575,000
			3,047,250	2,674,500	3,047,250	2,575,000
		CHEMICALS				
100,000	40,000	Engro Polymer & Chemical Limited	3,627,571	3,074,000	1,707,262	1,262,000
			3,627,571	3,074,000	1,707,262	1,262,000
		Fertilizer				
5,000	-	Engro Fertilizers Limited	1,085,369	1,108,400	-	-
			1,085,369	1,108,400	-	-
		PROPERTY				
17,363	-	Javedan Corporation Limited	1,566,803	1,528,465	-	-
			1,566,803	1,528,465	-	-
		PAPER, BOARD & PACKAGING				
50,000	19,500	Century Paper and Board Mills	1,644,432	1,395,500	790,112	608,595
			1,644,432	1,395,500	790,112	608,595
			18,570,304	17,800,075	16,056,038	14,287,295

	Note	(Un-audited) September 30, 2025	(Audited) June 30, 2025
		-------Rupees-------	
11 ADVANCES, PREPAYMENTS AND OTHER RECEIVABLES			
Loans to / receivable from employees - considered good		**153,000**	399,000
Prepayments		**4,823,860**	4,927,915
Advance against expenses		**-**	22,222
Accrued profit (secured - considered good)		**4,410,356**	2,353,774
Legal suits' charges receivable (secured - considered good)	11.1	**2,234,112**	2,204,112
Sundry receivables (unsecured - considered good)		**384,474**	384,474
		12,005,802	10,291,497

11.1 Legal suits' charges receivable

Opening balance	**2,723,002**	2,718,002
Expenses incurred	**30,000**	5,000
Gross amount	**2,753,002**	2,723,002
Allowance for doubtful legal suits' charges receivables	**(518,890)**	(518,890)
	2,234,112	2,204,112

12 CREDITORS, ACCRUED AND OTHER LIABILITIES

Payable to Modaraba Management Company (Related party)	**614,014**	2,686,354
Provision for Workers' Welfare Fund	**158,643**	517,762
Accrued expenses	**1,467,254**	1,310,336
Other liabilities	**2,543,476**	1,931,658
Sales tax on management fee payable	**2,974,467**	2,882,365
	7,757,854	9,328,475

13 CONTINGENCIES AND COMMITMENTS

13.1 *Contingencies*

13.1.1 Notice was served to Trust Modaraba dated 28 August 2018, along with certain other modarabas, by Sindh Revenue Board (SRB) for the recovery of tax under Sindh Sales Tax on Services Act, 2011 amounting to Rs. 38.52 million comprising allegedly unpaid sales tax on services rendered in Sindh from years 2011-12 to 2017-18.

The Modaraba along with other Modarabas has filed a petition in Honorable Sindh High Court (SHC) on September 1, 2018, challenging the demand of Sindh Revenue Board (SRB) on the grounds of non-applicability of sales tax. A stay order in this regard has been granted by the SHC stating that no adverse order in respect of the proposed treatment shall be made against the Petitioners. The management of the Modaraba based on its discussions with its legal counsel is of the view that in light of the stay order of the Court and the merits of the matter involved, the impugned charge of sales tax will be quashed and favorable outcome is expected. Therefore, no provision for any sales tax liability on rentals of lease financing has been made in the financial statements. The court directed that no further coercive action shall be taken against the petitioner, and that the matter may be adjudicated vide a speaking order after providing an opportunity of hearing to the petitioner. The learned counsel for the respondent raised no objection, and the petition was accordingly disposed of in these terms.

13.1.1.2 The Assistant commissioner Inland Revenue (ACIR) has issued order dated June 30, 2022 by creating demand under sub-section 161 of Rs 1,038,285 along with default surcharge of Rs 809,862. The tax payer has filed appeal against said order on July 16, 2022 before commissioner Inland Revenue (CIR). During the year, CIR remanded back the case to (ACIR) and taxpayer being aggrieved by the order of CIR filed appeal before Appellate Tribunal Inland Revenue (ATIR). The ATIR annulled the findings of ACIR and remit the matter to officer of Inland Revenue (OIR). As at year end, the matter is pending before the OIR.

13.1.3 The Deputy commissioner Inland Revenue (DCIR) has issued order dated August 31, 2021 by creating demand under sub-section 122 (1) of the Income Tax Ordinance, 2001 for Rs 5,776,892. The Modaraba had filed appeal against said order before Commissioner Inland Revenue - Appeals (CIRA), who vide order dated 24-Jan-2022 remanded the case with directions to pass a speaking order by going through the relevant record. Opportunities of hearing were provided. During the year, DCIR passed the order dated June 24, 2024 by creating a demand of Rs. 5,776,892 and taxpayer being aggrieved by the order of DCIR filed appeal before CIRA, which is pending for adjudication. The management, in consultation with its tax advisor, has determined that favorable outcome is expected.

13.1.4 The Deputy commissioner Inland Revenue (DCIR) issued notices dated August 18, 2023 by confronting amount of Rs. 143,347 and Rs. 732,850 against tax years 2020 and 2021 respectively under sub-section 221(2) of the Income Tax Ordinance, 2001. These demands pertain to the adjustment of refunds against the admitted tax liabilities. The Modaraba has submitted a detailed response to the DCIR, accompanied by comprehensive documentary evidence. Decision is pending but the management, in consultation with its tax advisor, has determined that favorable outcome is expected.

13.1.5 On December 06, 2022, Sindh Revenue Board (SRB) issued a notice under Section 73 of the Stamps Act, 1899 to several modaraba companies for inspection of the records regarding stamp duty applicability. The Modaraba responded on December 22, 2022 that the Modaraba is a non-banking financial institution and Stamps act, 1899 is not applicable. However without prejudice to the rights and remedies and only as a matter of cooperation, the management partially complied.

On December 12, 2023 the Modaraba received a demand from Sindh Revenue Board (SRB) against stamp duty of Rs. 280,509 and Rs. 108,900 applicable on purchase orders and promissory notes respectively, covering the period July 01, 2020 to March 03, 2023. The Modaraba responded on January 08, 2024 that Article 15(b) of the stamps act, 1899 deals with the manufacturing concerns or business which undertake cartage of stores and materials and as such it is not applicable to NBFCs and Modarabas involved in Shariah compliant asset financing. The matter is being dealt at the association level.

Regarding the stamp duty on promissory note under Sec 2(22) of Article 28 of the Stamps Act 1899, the management has acknowledged its application and has recognized a provision for the period of July 01, 2022 to June 30, 2025 in Note 12 amounting to Rs. 145,800.

Disbursement of Ijarah / Murabaha / Musharakah to be made to customers	-	11,000,000

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE QUARTER ENDED SEPTEMBER 30, 2025

		(Un-audited) September 30 2025	(Un-audited) September 30 2024
		--------------Rupees--------------	
14	**INCOME FROM IJARAH - NET**		
	Income from leasing and Ijarah operations	**4,280,231**	8,775,399
	Less: Depreciation on fixed assets given on ijarah	**(2,864,331)**	(5,509,700)
	Less: Insurance on ijarah assets	**(291,174)**	(648,109)
		1,124,726	2,617,590
15	**OTHER INCOME**		
	Gain on disposal of ijarah assets	**71,557**	1,185,739
	Gain on disposal of owned fixed assets	**-**	959,000
	Profit on deposit and saving accounts with banks	**19,254**	135,619
	Miscellaneous income	**336,688**	1,341,390
		427,499	3,621,748
16	**OPERATING EXPENSES**		
	Salaries, allowances and other benefits	**5,534,055**	4,852,831
	Legal and professional charges	**230,000**	80,000
	Fees and subscription	**813,130**	805,259
	Electricity, gas and water	**359,845**	458,835
	Telephone, postage and courier	**394,017**	374,867
	Printing and stationery	**125,945**	155,057
	Traveling and conveyance	**-**	164,031
	Entertainment	**79,800**	285,779
	Insurance	**44,655**	33,668
	Vehicle running	**782,951**	678,371
	Newspaper and periodicals	**-**	3,410
	Rent, rates and taxes	**352,065**	302,565
	Repairs and maintenance	**773,336**	686,406
	Depreciation on own assets	**260,393**	265,546
	Depreciation on right of use assets	**990,474**	898,896
	Amortiztion of intangible assets	**101,832**	101,832
	Bank charges and commission	**13,542**	2,415
	Sales tax	**20,290**	26,594
	Unwinding of lease liabilities	**618,819**	642,086
	Miscellaneous	**36,710**	53,305
	Office supply	**178,911**	-
		11,710,770	10,871,753

		(Un-audited) September 30 2025	(Un-audited) September 30 2024
17 EARNING PER CERTIFICATE - BASIC AND DILUTED			
Profit for the period	Rupees	**3,780,994**	6,293,536
Weighted average number of certificates	Number	**29,800,000**	29,800,000
Earnings per certificate	Rupees	**0.127**	0.211

17.1 There is no dilution effect on the basic earnings per certificate of the Modaraba.

18 CASH GENERATED FROM OPERATIONS

	2025	2024
Profit before taxation	**5,325,343**	7,539,049
Adjustments for non-cash and other items:		
- Depreciation:		
Under ijarah	**2,864,331**	5,509,700
In own use	**260,394**	265,546
Right of use assets	**990,474**	898,896
Amortization of intangible assets	**101,832**	101,832
- (Gain) / loss on disposal own assets	**-**	(959,000)
- (Gain) / loss on disposal ijarah assets	**(71,557)**	(1,185,739)
- (Gain) / Loss on sale of short term investment	**(1,778,787)**	(499,471)
- Unrealized (gain)/loss on revaluation of held for trading investment	**(998,511)**	1,282,177
- Unwinding for lease liabilities	**618,819**	642,086
- Workers' Welfare Fund	**108,680**	153,858
- Dividend income	**-**	(212,500)
	2,095,675	5,997,385
Operating profit before working capital changes	**7,421,018**	13,536,434
Decrease / (increase) in current assets		
- Advances, deposits, prepayments and other receivables	**(1,714,305)**	(3,156,358)
- Short term murabaha finances	**-**	20,002
- Short term musharakah finances	**(11,000,000)**	833,384
- Ijarah rental receivables	**(649,989)**	(298,120)
Increase / (decrease) in current liabilities		
- Charity payable	**(80,784)**	(154,140)
- Creditors, accrued and other liabilities	**(1,679,301)**	(6,055,117)
	(15,124,379)	(8,810,349)
Cash generated from operations	**(7,703,361)**	4,726,085

19 TRANSACTION WITH RELATED PARTIES

Transactions during the period			(Un-audited) **September 30 2025**	(Un-audited) September 30 **2024**
			--------------Rupees--------------	
Related party	**Relationship**	**Nature of transaction**		
Al-Zamin Modaraba Management (Private) Limited	Modaraba Management Company	Management fee	**614,014**	**854,768**
		Office rent	**288,000**	**624,000**
Employees' Provident Fund	Associated undertaking	Contribution for the period	**276,146**	**243,553**

Outstanding Balance as at the period end		(Un-audited) **September 30 2025**	(Audited) June 30, **2025**
		--------------Rupees--------------	
Al-Zamin Modaraba Management (Private) Limited	Payable against management fee	**614,014**	2,686,354
Executives	Loan receivables	**-**	232,000
	Payable to Ather Imam Vice President	**46,000**	46,000
	Payable to Hamida Aqeel Company Secretary	**620,000**	620,000

20 NON ADJUSTING EVENT AFTER THE REPORTING DATE

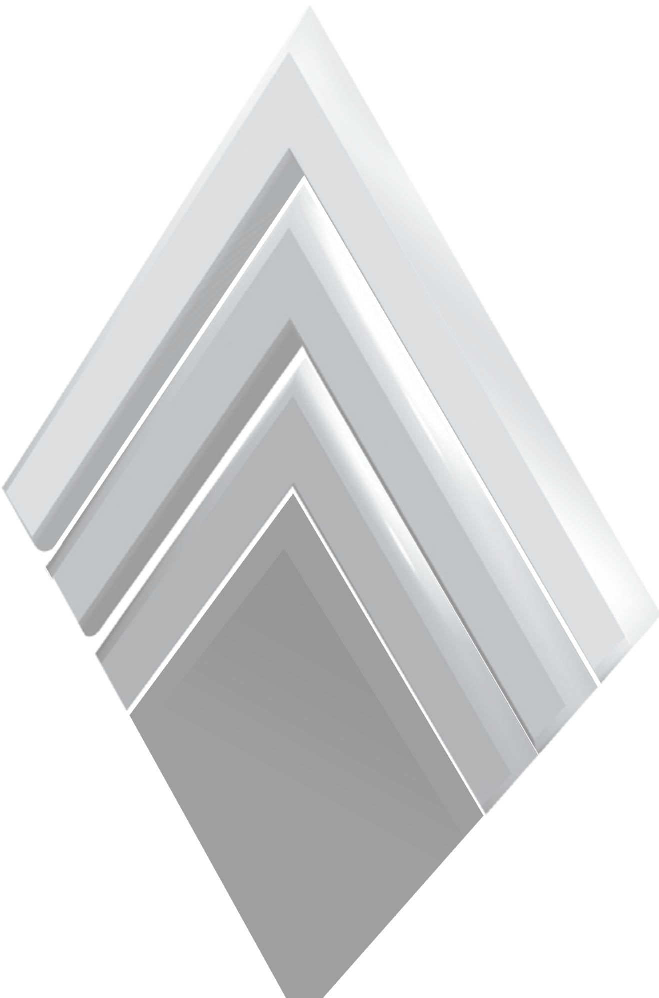
The Board of Directors of the Management Company in their meeting held on September 24, 2025, has decided to pass over the dividend for the year ended on 30th June 2025 (2024: 0.5 per certificate, amounting to Rs. 14,900,000 for the year ended 30th June, 2024.)

21 AUTHORIZATION OF FINANCIAL STATEMENTS

These financial statements were approved for issue by the Board of Directors of the Management company in their meeting held on October 23, 2025.

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

CHIEF EXECUTIVE	DIRECTOR	DIRECTOR	CHIEF FINANCIAL OFFICER



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