Popular Islamic Modaraba

An Islamic Financial Institution

Quarterly Accounts
September 30, 2025
(Un-Audited)

Managed By:

Popular Islamic Modaraba
Management Company (Pvt.) Limited

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CORPORATE INFORMATION

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

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DIRECTORS' REPORT

The Board of Directors of the Popular Islamic Modaraba Management Company (Pvt.) Limited, the Management Company of Popular Islamic Modaraba ("Modaraba"), is pleased to present the unaudited financial statements of the Modaraba for first quarter ended September 30, 2025.

The sumarized financial results for the quarter ended September 30, 2025 are as under:

	Un-Audited Sep-25	Un-Audited Sep-24
	(Rupees)	
Income	**8,199,666**	11,418,255
Operating expenses	(1,507,921)	(1,927,505)
Depreciation of Ijarah Assets	(776,116)	(1,474,267)
Profit before management fee	**5,915,629**	**8,016,483**
Management Fee	(295,781)	(400,824)
Sales tax on management fee	(38,452)	(52,107)
Profit before taxation	5,581,396	7,563,552
Taxation	(1,618,605)	(2,193,430)
Profit after taxation	**3,962,791**	**5,370,122**
Earning per certificate - basic & diluted	**0.20**	**0.27**

Review of Operations:

During the first quarter the financial performance of Modaraba was quite satisfactory. The Modaraba booked income of Rs. 8.199 million as compared to Rs.11.418 million in the preceeding period. The profit after tax amounted to Rs. 3.962 million reflecting a decline primarily due to a reduction in the KIBOR rate. The EPC stood at Re.0.20 per certificate.

Future Outlook:

The KIBOR Rate has significantly reduced from last year, Modaraba's management is responding to the situation by taking proactive measures and implementing cutting-edge business practices. The management's primary goal is to increase profitability so that it can offer its Certificateholders a greater return. We continue to strive for the most effective and efficient use of our own resources while also carefully leveraging the balance sheet to record and gradually grow a portfolio of high-quality assets.

Acknowledgement:

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

For and on behalf of the Board

Kamran Hussain Mughal
Chief Executive Officer

October 24, 2025
Karachi.

Popular Islamic Modaraba
An Islamic Financial Institution

ڈائریکٹرز کی رپورٹ برائے سہ ماہی 30 ستمبر 2025

پاپولر اسلامک مضاربہ مینجمنٹ کمپنی (پرائیوٹ) لمیٹڈ جو پاپولر اسلامک کی مینجمنٹ کمپنی ہے، اسکے بورڈ آف ڈائریکٹرز اپنے سرٹیفکیٹ ہولڈرز کو بہ مسرت ڈائریکٹرز کی رپورٹ برائے سہ ماہی 30 ستمبر 2025 پیش کرتے ہیں۔

نمایاں مالیاتی نتائج:

	برائے ستمبر 2025	برائے ستمبر 2024
	(روپے)	
آمدنی	8,199,666	11,418,255
آپریٹنگ اخراجات	(1,507,921)	(1,927,505)
اجارہ اثاثوں کی فرسودگی کے اخراجات (ڈیپری سی ایشن)	(776,116)	(1,474,267)
منافع قبل از مینجمنٹ فیس	**5,915,629**	**8,016,483**
مینجمنٹ فیس	**(295,781)**	**(400,824)**
مینجمنٹ فیس پر سیلز ٹیکس	**(38,452)**	**(52,107)**
نفع قبل از ٹیکس	**5,581,396**	**7,563,552**
ٹیکس	**(1,618,,605)**	**(2,193,460)**
نفع بعد از ٹیکس	**3,962,791**	**5,370,122**
آمدنی فی سرٹیفکیٹ	**0.20**	**0.27**

کاروبار کا جائزہ:

پہلی سہ ماہی کے دوران مضاربہ کی کارکردگی قدر تسلی بخش رہی، مضاربہ نے گزشتہ مدت کے 11.418 ملین آمدنی کے مقابلے میں 8.199 ملین کی آمدنی دیکھائی۔ بعد از ٹیکس آمدنی 3.962 ملین روپے رہی۔ آمدنی میں کمی کی وجہ تیزی سے کم ہوتا ہوا KIBOR ریٹ ہے۔ آمدنی فی سرٹیفکیٹ 0.20 پیسہ ریکارڈ کی گئی۔

مستقبل کے امکانات:

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

اعتراف:

مضاربہ مشکور ہے رجسٹرار مضاربہ، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور پاکستان اسٹاک ایکسچینج کی رہنمائی اور تعاون کا اور مستقبل میں بھی اس کی امید رکھتا ہے۔

منجانب بورڈ

کامران حسین مغل
چیف ایگزیکٹیو
24 اکتوبر 2025

Popular Islamic Modaraba
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BALANCE SHEET (UN-AUDITED)
AS AT SEPTEMBER 30, 2025

	Un-audited Sep-25	Audited Jun-25
	(RUPEES)	
ASSETS		
NON CURRENT ASSETS		
Property and equipment - owned	**14,528**	15,902
Property and equipment - ijarah	**4,872,762**	6,475,296
Diminishing Musharaka	**115,108,229**	112,433,767
Deferred tax asset-net	**5,395,763**	5,395,763
	125,391,282	124,320,728
CURRENT ASSETS		
Morabaha finance	**34,745,872**	31,228,831
Current portion of Diminishing Musharakah	**52,110,519**	56,502,625
Advances and other receivables	**29,847,743**	22,097,507
Cash and bank balances	**16,335,902**	3,933,087
	133,040,036	113,762,050
TOTAL ASSETS	**258,431,318**	238,082,778
EQUITY AND LIABILITIES		
Authorized certificate capital		
20,000,000 (2025: 20,000,000) modaraba certificates of Rs. 10 each	**200,000,000**	**200,000,000**
Certificate holders' equity		
Certificate capital	**200,000,000**	200,000,000
Statutory reserve	**28,982,350**	28,982,350
Accumulated profit	**(5,679,133)**	(9,641,924)
	223,303,217	**219,340,425**
NON-CURRENT LIABILITIES		
Security deposits against Ijarah	**1,299,279**	1,299,279
Deferred liability	**2,830,002**	2,830,002
	4,129,281	**4,129,281**
CURRENT LIABILITIES		
Accrued and other liabilities	**1,419,409**	1,367,724
Current portion of security deposits	**674,220**	1,095,620
Charity payable	**-**	-
Advance Rentals Received	**1,826,741**	2,024,116
Provision for taxation	**6,770,261**	5,151,656
Unclaimed profit distribution	**3,205,011**	3,205,011
Loan from management company	**15,000,000**	-
Management fee payable	**1,833,994**	1,538,213
Sales tax on management fee	**269,184**	230,732
TOTAL LIABILITIES	**30,998,820**	**14,613,072**
CONTINGENCIES & COMMITMENTS	**-**	**-**
	258,431,318	**238,082,778**

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

CHIEF EXECUTIVE	CHIEF FINANCIAL OFFICER	DIRECTOR	DIRECTOR

Popular Islamic Modaraba
An Islamic Financial Institution

PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2025

	Un-Audited Sep-25 *(RUPEES)*	Un- Audited Sep-24 *(RUPEES)*
Income	**8,056,503**	**9,164,044**
Operating expenses	(1,507,921)	(1,927,505)
Depreciation of Ijarah Assets	(776,116)	(1,474,267)
Operating profit	**5,772,466**	**5,762,272**
Other Income	143,163	2,254,211
Profit before management fee	**5,915,629**	**8,016,483**
Management fee	(295,781)	(400,824)
Sales tax on management fee	(38,452)	(52,107)
	(334,233)	**(452,931)**
Profit before taxation	**5,581,396**	**7,563,552**
Taxation	**(1,618,605)**	**(2,193,430)**
Profit after taxation	**3,962,791**	**5,370,122**
Other comprehensive income	**-**	**-**
Total comprehensive income	**3,962,791**	**5,370,122**
Earnings per certificate - basic & diluted	**0.20**	**0.27**

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

CHIEF EXECUTIVE **CHIEF FINANCIAL OFFICER** **DIRECTOR** **DIRECTOR**

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CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2025

	Un-audited Sep-25	Un-audited Sep-24
	(RUPEES)	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	**5,581,396**	**7,563,551**
Adjustments for:		
Depreciation expense	**1,374**	10,410
Depreciation of assets leased out under ijarah	**776,116**	1,474,267
	777,490	1,484,677
Operating profit before working capital changes	**6,358,886**	9,048,228
Decrease / (Increase) in current assets		
Current portion of morabaha finance	**(3,517,041)**	134,461
Current portion of long term investment D.M	**4,392,106**	6,598,156
Advances and other receivabls	**(7,750,236)**	4,553,900
	(6,875,171)	11,286,517
Increase/(decrease) in current liabilities		
Accrued and other liabilities	**48,644**	42,043
Management fee payable	**295,781**	400,824
Sales tax on management fee	**38,452**	52,107
	382,877	494,974
Net cash generated from operation	**(133,409)**	20,829,719
CASH FLOW FROM INVESTING ACTIVITIES		
Ijarah assets transfer-net	**4,149,126**	**-**
Security deposit from ijarah	**(421,400)**	**-**
Investment in murabaha finance	**(3,517,041)**	-
Investment in diminishing musharakah	**(2,674,462)**	(43,375,125)
Net cash generated / (used in) investing activities	**(2,463,777)**	(43,375,125)
CASH FLOW FROM FINANCING ACTIVITIES	**-**	-
Loan from management co.	**15,000,000**	-
	-	-
	15,000,000	**-**
Net increase in cash & cash equivalent	**12,402,814**	(22,545,404)
Cash and cash equivalents at the beginning of the year	**3,933,088**	54,080,582
Cash and cash equivalents at the end of the year	**16,335,902**	31,535,177

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

CHIEF EXECUTIVE	CHIEF FINANCIAL OFFICER	DIRECTOR	DIRECTOR

Popular Islamic Modaraba
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STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2025

	Certificate Capital	Statutory Reserve	Accumulated profit	Advance against equity	Total
	---------------------------- (Rupees)			----------------------------	
Balance as at June 30, 2024	140,000,000	29,225,542	(15,593,849)	60,000,000	**213,631,692**
Profit for the Year	-	-	25,708,733	-	**25,708,733**
Additional in paidup capital	-		-	-	**-**
Dividend on profit		(243,192)	(19,756,808)	-	**(20,000,000)**
Further issue of shares	60,000,000		-	60,000,000	**-**
Balance as at June 30, 2025	**200,000,000**	**28,982,350**	**(9,641,924)**	**-**	**219,340,425**
Profit for the Period	-	-	3,962,791	-	**3,962,791**
Additional in paidup capital	-		-	-	**-**
Advance against equity	-	-	-	-	**-**
Dividend on profit	-	-	-	-	**-**
Balance as at September 30, 2025	**200,000,000**	**28,982,350**	**(5,679,133)**	**-**	**223,303,217**

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

CHIEF EXECUTIVE | **CHIEF FINANCIAL OFFICER** | **DIRECTOR** | **DIRECTOR**

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NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2025

1. LEGAL STATUS AND NATURE OF BUSINESS

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

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

2. STATEMENT OF COMPLIANCE

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

3. BASIS OF MEASUREMENT

These financial statements have been prepared under the historical cost convention except for certain financial assets which are stated at fair value.
These Condensed interim financial statements are unaudited and being submitted to Certificate Holders as required under Rule 10 of Modaraba Companies and Modaraba Rules 1981.

4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted by the Modaraba in the preparation of these condensed interim financial information are the same as those applied in preparation of the preceding published financial statements of the Modaraba for the year ended June 30, 2025.

	Un-audited September 30.2024	Audited June 30,2024
	(Rupees)	
5. PROPERTY & EQUIPMENTS - (OWNED)		
Book value at the beginning of the period/year	15,902	89,151
Depreciation charged	(1,374)	(73,249)
Book value at the end of the period/year	**14,528**	**15,902**
6. PROPERTY & EQUIPMENTS - (IJARAH)		
Book value at the beginning of the period/year	6,475,296	31,066,500
Deletion - net	(826,418)	(8,356,119)
Depreciation charged	(776,116)	(16,235,085)
Book value at the end of the period/year	**4,872,762**	**6,475,296**

7. CONTINGENCIES & COMMITMENTS

Contingencies and commitments are those as disclosed in the audited financial statements for the year ended June 30,2025.

8. RELATED PARTY TRANSACTIONS

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

Nature of Transaction	**Relationship with the Company**		
Management fee	Management company	295,781	1,538,213
		295,781	1,538,213

9. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorized for issue on **October 24, 2025** by the Board of Directors of Popular Islamic Modaraba Management Company (Private) Limited.

10. General

Figures have been rounded off to the nearest Rupee.
The annexed notes from 1 to 10 form an integral part of theses condensed interim financial information.

CHIEF EXECUTIVE	CHIEF FINANCIAL OFFICER	DIRECTOR	DIRECTOR