

Trusted Halal Solutions With Lasting Partnerships



OLP | OLP Modaraba
(FORMERLY ORIX MODARABA)

2025
Quarterly Report
September

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MODARABA INFORMATION

Modaraba Company
OLP Services Pakistan (Pvt) Limited

Directors of Modaraba Company

Mr. Naveed Kamran Baloch	Chairman / Independent Director
Mr. Raheel Qamar Ahmad	Managing Director / Chief Executive Officer
Mr. Ramon Alfrey	Director
Mr. Nausherwan Adil	Independent Director
Mian Faysal Riaz	Director
Mr. Nadim D. Khan	Director
Ms. Naila Hasan	Female Independent Director

Company Secretary

Mr. Muhammad Siddique

Audit Committee

Mr. Nausherwan Adil	Chairman
Mr. Ramon Alfrey	Member
Mian Faysal Riaz	Member

Human Resource and Remuneration (HR&R) Committee

Ms. Naila Hasan	Chairperson
Mr. Ramon Alfrey	Member
Mr. Raheel Qamar Ahmad	Member

Risk Committee

Mian Faysal Riaz	Chairman
Mr. Nausherwan Adil	Member
Mr. Raheel Qamar Ahmad	Member
Mr. Ramon Alfrey	Member

Shariah Advisor

Mufti Faisal Ahmed

Auditors

KPMG Taseer Hadi & Co. Chartered Accountants

Bankers/ Financial Institutions

Standard Chartered Bank (Pakistan) Limited (Saadiq)
Meezan Bank Limited
United Bank Limited (UBL Ameen)
Bank Alfalah Limited (Islamic banking)
Allied Bank Limited (Islamic banking)
Bank Al Habib Limited (Islamic banking)
Habib Bank Limited (Islamic banking)
Al - Barka Bank (Pakistan) Limited
Pakistan Mortgage Refinance Company Limited
MCB Islamic Bank Limited
Habib Metropolitan Bank Limited (Islamic Banking)
Askari Bank Limited (Islamic Banking)

Legal Advisors

Haider Ali Khan
Advocate High Court, Partner,
Fazle Ghani Advocates

Modaraba Company Registered Office

OLP Building, Plot no. 16, Sector no. 24,
Korangi Industrial Area Karachi.

Modaraba Head Office:

Office No. 601, 6th Floor,
Syedna Tahir Saifuddin Memorial Foundation Building,
Beaumont Road, Civil Lines, Karachi.
Phone: (021) 38341168
Email: askus@olpmodaraba.com

Lahore Branch:

Office No-08, 1st floor,
Park Lane Tower (Mall Of Lahore)
172-Tufail Road, Lahore Cantt.
Phone: (042) 38017006

Islamabad Branch:

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

Registrars & Share Registration Office:

Famco Share Registration Service (Private) Limited
8-F, Next to Hotel Faran, Nursery,
Block 6, P.E.C.H.S., Shahra-e-Faisal, Karachi.
Tel: (92-21) 34380101-5
Fax: (92-21) 34380106
Email: info.shares@famcosrs.com

DIRECTORS' REVIEW

For the period ended September 30, 2025

The Board of Directors of OLP Services Pakistan (Private) Limited, the management company of OLP Modaraba is pleased to present the unaudited accounts for the three months period ended September 30, 2025.

1. Economic Outlook

Over the past year, Pakistan has made progress toward macroeconomic stabilization. Real GDP growth is projected to reach 3.6% in FY25, supported by a rebound in industrial activity and expansion in the services sector. Inflation has dropped to 4.5%, its lowest level in eight years, due to prudent monetary policy and easing global commodity prices. The exchange rate has stabilized, and foreign reserves have more than doubled, bolstered by strong remittance inflows and multilateral financing.

While these developments reflect a more stable economic foundation, certain risks remain elevated. Sustained growth will require deep structural reforms, particularly in tax administration, energy pricing, and governance. The fiscal outlook is mixed: although the fiscal deficit is projected to rise to 7.6% of GDP in FY25 due to higher interest payments, it is expected to gradually decline as fiscal tightening measures take effect.

Pakistan's macroeconomic indicators suggest a cautiously optimistic path forward, provided reform momentum is maintained and external conditions remain supportive. However, the government's continued focus on digital transformation, export diversification, and investment in infrastructure is expected to further support economic resilience. Initiatives aimed at enhancing agricultural productivity, boosting SME financing, and streamlining regulatory frameworks are likely to improve competitiveness and attract foreign direct investment. These efforts, combined with a stable macroeconomic environment, position Pakistan to capitalize on emerging regional trade opportunities and strengthen its long-term growth trajectory.

2. Financial Highlights

Financial results are summarized as under:

	September 30, 2025	June 30, 2025
	----- (Rupees) -----	
Balance Sheet		
Certificate capital	453,835	453,835
Total equity	1,246,752	1,326,902
Total assets	8,598,465	8,873,727
Investment in Ijarah Assets	683,548	736,742
Investments in Diminishing Musharika	6,646,948	6,810,158
Redeemable capital	5,137,410	5,633,455

3. Review of Operations

By the Grace of Allah, your Modaraba's performance during the period under review continued to be very strong. Despite difficult economic environment, Modaraba's net profit for the period remained steady at PKR 33.31 million, showing a marginal increase from PKR 33.19 million recorded in the corresponding period last year. Gross revenue (net of Ijarah assets depreciation and including other income) decreased by 24.11% from PKR 428.21 million to PKR 324.95 million in the corresponding period last year mainly due to substantial downward movement of benchmark rates (KIBOR). In line with this reduction of bench mark rates and efficient liquidity management practices, financial and other charges decreased from PKR 298.94 million to PKR 184.05 million showing a reduction of 38.43% compared to the corresponding three-months period of last year. There is a net provision of PKR 10.71 million which was due to pro-active and subjective down grading of some stressed customers. Administrative and operating expenses increased by 5% from PKR 68.03 million to PKR 71.43 million. Profit before taxation and levy increased by 10.98% from PKR 45.91 million to PKR 50.96 million in the corresponding period last year.

The portfolio of Ijarah finance, Diminishing Musharakah finances and short-term investments stood at PKR 7,331 million compared to PKR 7,707 million as of June 30, 2025, showing a decrease of 4.88% during the three months period. Furthermore, total assets decreased by 3.10% to PKR 8,598 million from PKR 8,874 million as of June 30, 2025, mainly funded by the Redeemable Capital portfolio of PKR 5,137 million; a 8.81% reduction from PKR 5,633 million as at June 30, 2025. During the period under review, the Modaraba booked fresh disbursements to the tune of PKR 675 million as compared to PKR 778 million during the corresponding period last year.

The business has been driven mainly by deepening relationships with selective clientele and initiating relationships with good names. The asset portfolio has a good mix of multinationals, large and medium-sized local corporates, selective SME relationships and an excellent housing and consumer portfolio.

OLP Modaraba manages and monitors risk exposure very prudently. The evaluation of a borrower's credit profile including repayment ability is made at the time of granting of a facility and regular oversight is carried out thereafter. Further, there are Portfolio Management and Early Alert committees which are responsible for ensuring portfolio monitoring and timely alerts for possible untoward scenarios.

4. Credit Rating

The Pakistan Credit Rating Agency Limited (PACRA) has maintained the ratings of your Modaraba as AA (Double A) and A1+ (A one plus) for long-term and short-term respectively. These ratings indicate low expectation of credit risk and very strong capacity for timely payment of financial commitments.

5. Acknowledgement

The Board appreciates the support of regulatory authorities, certificate-holders, customers and business partners and looks forward to their support in future.

Karachi: October 27, 2025

Raheel Qamar Ahmad
Managing Director/ CEO

Ramon Alfrey
Director

30 ستمبر 2025ء کی اختتامی مدت کیلئے ڈائریکٹرز کا جائزہ:

OLP سرومیز پاکستان (پرائیویٹ) لمیٹڈ کے بورڈ آف ڈائریکٹرز جو کہ OLP مضاربہ کی اختتامی کمیٹی ہے، 30 ستمبر 2025ء کو اختتام پذیر ہونے والی سہ ماہی کیلئے غیر آڈٹ شدہ مالیاتی گوشوارے پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

معاشی صورتحال:

گزشتہ ایک سال کے دوران پاکستان نے مجموعی معیشت کے استحکام کے حوالے سے قابل ذکر پیش رفت کی ہے۔ مالی سال 2025 میں حقیقی مجموعی قومی پیداوار (GDP) میں 3.6 فیصد اضافہ کا امکان ہے، جس کی بنیاد صنعتی سرگرمیوں میں بحالی اور خدمات کے شعبے کی توسیع پر ہے۔ افراط زر کی شرح 4.5 فیصد تک گر چکی ہے، جو گزشتہ آٹھ برسوں میں سب سے کم سطح ہے۔ یہ کمی محتاط مالیاتی پالیسی اور عالمی اشیاء کی قیمتوں میں کمی کے باعث ممکن ہوئی ہے۔ زرمبادلہ کی شرح مستحکم ہو گئی ہے جبکہ ترسیلات زر میں اضافے اور بین الاقوامی مالیاتی اداروں سے موصول فنڈز کے نتیجے میں زرمبادلہ کے ذخائر دو گنے سے بھی زیادہ ہو چکے ہیں۔

اگرچہ یہ پیش رفت معیشت کے زیادہ مستحکم بنیادوں پر استوار ہونے کی عکاسی کرتی ہے، تاہم بعض خطرات اب بھی موجود ہیں۔ مستحکم معاشی نمو کے لیے گہرے ساختیاتی اصلاحات کی ضرورت ہے، خصوصاً ٹیکس سسٹم، توانائی کی قیمتوں کے تعین اور سکرانی کے شعبوں میں۔ مالیاتی منظر نامہ مضبوط نوعیت کا ہے: اگرچہ مالی سال 2025 میں مالیاتی خسارہ بڑھ کر جی ڈی پی کے 7.6 فیصد تک پہنچنے کا امکان ہے، جو زیادہ سودی ادائیگیوں کی وجہ سے ہے، تاہم توقع ہے کہ مالیاتی سختی کے اقدامات کے اثرات ظاہر ہونے کے ساتھ ساتھ یہ خسارہ بتدریج کم ہو جائے گا۔

پاکستان کے مجموعی معاشی اشاریے ایک محتاط مگر بہتر امید کی طرف نشاندہی کرتے ہیں، بشرطیکہ اصلاحاتی عمل کی رفتار برقرار رہے اور بیرونی حالات سازگار رہیں۔ تاہم، حکومت کی جانب سے ڈیجیٹل تبدیلی، برآمدات میں تنوع، اور بنیادی اسٹرکچر میں سرمایہ کاری پر مسلسل توجہ معیشت کو مزید مضبوط بنانے میں مددگار ثابت ہوگی۔ زرعی پیداوار میں اضافے، چھوٹے اور درمیانے درجے کے کاروباروں (SMEs) کے لیے مالیاتی سہولتوں میں بہتری، اور ضوابطی نظام کو آسان بنانے کے اقدامات سے ملک کی مسابقتی صلاحیت میں اضافہ اور براہ راست غیر ملکی سرمایہ کاری کے امکانات میں بہتری متوقع ہے۔ ان کوششوں کے ساتھ ایک مستحکم معاشی ماحول پاکستان کو ابھرتے ہوئے علاقائی تجارتی مواقع سے فائدہ اٹھانے اور طویل المدتی ترقی کے راستے کو مزید مضبوط بنانے کے قابل بنائے گا۔

مالیاتی نتائج:

مالیاتی نتائج کا خلاصہ درج ذیل ہے:

30 جون 2025 (روپے '000 میں)	30 ستمبر 2025 (روپے '000 میں)	بیلنس شیٹ
453,835	453,835	سٹرٹیکٹ کیپیٹل
1,326,902	1,246,752	مجموعی ایکویٹی
8,873,727	8,598,465	مجموعی اثاثہ جات
736,742	683,548	اجارہ اثاثہ جات میں سرمایہ کاری
6,810,158	6,646,948	ڈیپنٹنگ مشارکہ میں سرمایہ کاری
5,633,455	5,137,410	ریڈیم ایبل کیپیٹل
30 ستمبر 2024 کی اختتامی سہ ماہی	30 ستمبر 2025 کی اختتامی سہ ماہی	منافع اور خسارہ
428,205	324,951	آمدنی (اجارہ اثاثہ جات کی قد میں کمی)
(298,942)	(184,052)	مالیاتی چارجز
(68,029)	(71,432)	عملی اخراجات
61,235	69,466	منافع قبل از پروڈیوز
(8,415)	(10,714)	پروڈیوزر۔ خالص
52,820	58,752	مضاربہ انتظامی کمیٹی کے معاوضے سے قبل از منافع
45,914	50,956	قبل از ٹیکس منافع
33,187	33,308	خالص منافع

کارکردگی کا جائزہ:

اللہ تعالیٰ کے فضل و کرم سے زیر جائزہ مدت کے دوران آپ کے مضاربہ کی کارکردگی انتہائی مضبوط رہی۔ مشکل معاشی حالات کے باوجود مضاربہ کا خاص منافع 33.31 ملین روپے رہا، جو گزشتہ سال کی اسی مدت کے 33.19 ملین روپے کے مقابلے میں معمولی اضافہ ظاہر کرتا ہے۔ مجموعی آمدنی (اجارہ اثاثہ جات کی فرسودگی منہا کرنے اور دیگر آمدنی شامل کرنے کے بعد) گزشتہ سال کی اسی مدت کے 428.21 ملین روپے سے کم ہو کر 324.95 ملین روپے رہی، جو 24.11 فیصد کی ظاہر کرتی ہے۔ اس کی بنیادی وجہ بیج مارک (KIBOR) میں نمایاں کمی تھی۔ بیج مارک میں اس کی اور بہتر لیکویڈیٹی مینجمنٹ کے باعث مالی دیگر چارجز میں نمایاں کمی ہوئی، جو گزشتہ سال کے 298.94 ملین روپے کے مقابلے میں کم ہو کر 184.05 ملین روپے رہ گئے، یعنی 38.43 فیصد کی کمی ریکارڈ کی گئی۔ اس عرصے کے دوران 10.71 ملین روپے کی خاص پروویژن رکھی گئی، جو دباؤ کے شکار کچھ صارفین کی پیٹنگی اور محتاط درجہ بندی کے نتیجے میں کی گئی۔ ملک میں مہنگائی کے باوجود انتظامی و عملی اخراجات میں صرف 5 فیصد اضافہ ہوا، جو 68.03 ملین روپے سے بڑھ کر 71.43 ملین روپے تک پہنچ گئے۔ ٹیکس اور لیوی سے قبل منافع میں 10.98 فیصد اضافہ ہوا، جو گزشتہ سال کی اسی مدت کے 45.91 ملین روپے کے مقابلے میں بڑھ کر 50.96 ملین روپے تک پہنچ گیا۔

30 جون 2025 کو اجارہ فنانس، ڈیٹنگ مشنر کرنٹنس اور قلیل مدتی سرمایہ کاریوں کا مجموعی پورٹ فولیو 7,707 ملین روپے کے مقابلے میں کم ہو کر 7,331 ملین روپے ہو گیا جو سہ ماہی مدت کے دوران 4.88 فیصد کی ظاہر کرتا ہے۔ مزید برآں کل اثاثے بھی 3.10 فیصد کی ساتھ 30 جون 2025 کے 8,874 ملین روپے کے مقابلے میں کم ہو کر 5,598 ملین روپے رہ گئے۔ جو زیادہ طرز پر یڈیل لیپل پورٹ فولیو سے فنڈ ہوئے ہیں، جو کہ گزشتہ تین ماہ کے دوران 8.81 فیصد کی ساتھ 5,633 ملین روپے سے کم ہو کر 5,137 ملین روپے ہو گئے۔ زیر جائزہ مدت کے دوران مضاربہ نے 675 ملین کی نئی ادائیگیاں کیں جو گزشتہ سال کی اسی مدت میں 778 ملین روپے تھیں۔

کاروبار بنیادی طور پر منتخب کلائنٹس کے ساتھ تعلقات کو منظم طور پر استوار کرنے اور انھیں ناموں کے ساتھ تعلقات کی شروعات کرنے سے چلایا گیا ہے۔ اثاثہ جات کے پورٹ فولیو میں ملٹی سیکٹرز، بڑے اور متوسط درجہ کے مقامی کارپوریٹ اور منتخب SME تعلقات کا ایک اچھا امتزاج ہے۔

OLP مضاربہ ظاہری خطرات کا انتظام اور نگرانی کرتا ہے۔ قرض حاصل کنندہ کے کریڈٹ پروفائل کا جائزہ بشمول ادائیگی کی اہلیت سہولت فراہم کرنے کے وقت کی جاتی ہے اور بعد میں اس کی باقاعدہ نگرانی کی جاتی ہے۔ اس کے علاوہ، پورٹ فولیو مینجمنٹ اور اربل الٹ کمیٹیاں ہیں جو ممکنہ ناخوشگوار حالات کے لیے پورٹ فولیو کی نگرانی اور بروقت الٹ کو یقینی بنانے کی ذمہ دار ہیں۔

کریڈٹ ریسٹو:

پاکستان کریڈٹ رینٹنگ ایجنسی لمیٹڈ (PACRA) نے OLP مضاربہ کی طویل مدتی اور مختصر مدتی درجہ بندی کو بائرتیب AA (ڈبل اے) اور A+1 (اے ون پلس) کے طور پر برقرار رکھا ہے۔ یہ رینٹنگ کریڈٹ رسک کی کم توقع اور مالی وعدوں کی بروقت ادائیگی کے لیے غیر معمولی مضبوط صلاحیت کی نشاندہی کرتی ہے۔

اظہار تشکر:

یورڈیو لیمیٹیڈ، عقیقہ، ہولڈرز، صارفین اور کاروباری شراکت داروں کے تعاون کا شکریہ ادا کرنا چاہتا ہے اور مستقبل میں ان کے تعاون کا منتظر ہے۔

کراچی: 27 اکتوبر 2025ء

راجیل قمر احمد
مینیجنگ ڈائریکٹر/سی ای او

رامن الفری
ڈائریکٹر

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at September 30, 2025

		September 30, 2025 (Un-audited)	June 30, 2025 (Audited)
ASSETS	Note	(Rupees)	
Non-current assets			
Long-term portion of diminishing musharika	5.4	4,443,203,524	4,736,612,650
Ijarah assets	6	683,547,996	736,741,555
Property and equipment	7	68,220,543	72,962,862
Intangible assets	8	1,354,186	1,825,173
Deferred tax assets - net		72,768,056	57,377,814
Total non-current assets		5,269,094,305	5,605,520,054
Current assets			
Current portion of diminishing musharika	5.4	2,203,744,881	2,073,545,076
Ijarah rentals receivable	10	24,898,477	33,710,624
Advances, deposits, prepayments and other receivables		339,007,834	396,635,764
Short term investments	11	40,915	159,735,406
Cash and bank balances	9	761,678,522	604,579,710
Total current assets		3,329,370,629	3,268,206,580
TOTAL ASSETS		8,598,464,934	8,873,726,634
EQUITY AND LIABILITIES			
CERTIFICATE HOLDERS' EQUITY			
Certificate capital			
Authorised certificate capital			
50,000,000 (June 30, 2025: 50,000,000) certificates of Rs. 10 each amounting to Rs. 500,000,000 (June 30, 2025: Rs. 500,000,000)		500,000,000	500,000,000
Issued, subscribed and paid-up certificate capital			
28,500,000 (June 30, 2025: 28,500,000) certificates of Rs. 10 each fully paid in cash		285,000,000	285,000,000
16,883,530 (June 30, 2025: 16,883,530) bonus certificates of Rs. 10 each		168,835,300	168,835,300
		453,835,300	453,835,300
Capital reserve		578,888,037	578,888,037
Revenue reserve		214,028,594	294,179,147
Total certificate holders' equity		1,246,751,931	1,326,902,484
LIABILITIES			
Non-current liabilities			
Long-term portion of term finance arrangements	12	760,396,582	587,942,472
Long-term portion of security deposits		139,427,591	147,484,426
Long-term portion of redeemable capital		807,005,000	102,100,000
Long-term portion of lease liability		47,432,518	52,411,693
Total non-current liabilities		1,754,261,691	889,938,591
Current liabilities			
Current portion of redeemable capital		4,330,405,000	5,531,355,000
Current portion of term finance arrangements	12	476,861,970	318,836,244
Running musharika		-	150,000,000
Current portion of security deposits		142,492,770	131,090,150
Current portion of lease liability		11,946,407	7,852,473
Accrued and other liabilities		361,005,240	366,530,969
Profit distribution payable		193,347,344	79,892,967
Provision for taxation - net	13	81,392,581	71,327,756
Total current liabilities		5,597,451,312	6,656,885,559
TOTAL LIABILITIES		7,351,713,003	7,546,824,150
TOTAL EQUITY AND LIABILITIES		8,598,464,934	8,873,726,634
CONTINGENCIES AND COMMITMENTS	14		

The annexed notes from 1 to 26 form an integral part of these condensed interim financial statements.

**For OLP Services Pakistan (Private) Limited
(Management Company)**

SD	SD	SD	SD
Chief Executive	Director	Director	Chief Financial Officer

CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME (UN-AUDITED)

For The Three Months Period Ended September 30, 2025

		Three months period ended September 30, 2025	Three months period ended September 30, 2024
Note		(Rupees)	
Income on diminishing musharaka arrangements		269,103,291	314,301,545
Ijarah rentals earned		100,721,958	175,047,086
Dividend income		1,107,484	14,315,257
Profit on bank balances		14,444,222	22,127,059
		<u>385,376,955</u>	<u>525,790,947</u>
Financial and other charges	15	(184,051,776)	(298,941,509)
Depreciation on ijarah assets		(70,822,727)	(108,434,539)
Reversal of impairment on assets under ijarah arrangements		-	-
		<u>(254,874,503)</u>	<u>(407,376,048)</u>
		<u>130,502,452</u>	<u>118,414,899</u>
ECL (charge) / reversal against ijarah rentals receivable - net		(1,524,803)	1,173,556
ECL charge against diminishing musharaka - net		<u>(9,189,587)</u>	<u>(9,588,387)</u>
		<u>119,788,062</u>	<u>110,000,068</u>
Other income		10,396,311	10,848,820
Administrative and operating expenses		(71,432,378)	(68,028,870)
		<u>58,751,995</u>	<u>52,820,018</u>
Management Company's remuneration	16	(5,875,200)	(5,282,002)
Provision for services sales tax on the Management Company's remuneration	17	(881,280)	(686,660)
Provision for workers' welfare fund - net	18	(1,039,909)	(937,027)
Profit for the period before taxation and levy		<u>50,955,606</u>	<u>45,914,329</u>
Levy - final tax	19	(166,123)	(2,147,289)
Profit for the period before taxation		<u>50,789,483</u>	<u>43,767,040</u>
Taxation	19	(17,481,211)	(10,580,334)
Profit for the period after taxation		<u>33,308,272</u>	<u>33,186,706</u>
Other comprehensive income for the period		-	-
Total comprehensive income for the period		<u>33,308,272</u>	<u>33,186,706</u>
Earnings per certificate - basic and diluted	20	<u>0.73</u>	<u>0.73</u>

The annexed notes from 1 to 26 form an integral part of these condensed interim financial statements.

**For OLP Services Pakistan (Private) Limited
(Management Company)**

SD	SD	SD	SD
Chief Executive	Director	Director	Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

For The Three Months Period Ended September 30, 2025

	Three months period ended September 30, 2025	Three months period ended September 30, 2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the period before taxation	50,789,483	43,767,040
Adjustments for non-cash and other items:		
Depreciation on tangible assets in own use	1,181,183	2,095,169
Depreciation on right-of-use assets	3,561,135	-
Amortisation on intangible assets	470,987	569,276
Depreciation on ijarah assets	70,822,727	108,434,539
Gain on disposal of ijarah assets	-	(382,070)
ECL charge/ (reversal) against ijarah rentals receivable - net	1,524,803	(1,173,556)
ECL charge against diminishing musharika - net	9,189,587	9,588,387
Profit on bank balances	(14,444,222)	(22,127,059)
Levy	166,123	2,147,289
Financial charges on		
- Return on redeemable capital expensed	134,065,550	216,698,416
- Return on running musharika expensed	2,210,981	-
- Amortisation of lease liability against right-of-use assets	1,889,124	-
- Return on term finance arrangements expensed	27,760,665	60,556,864
Provision for services sales tax on the Management Company's remuneration	881,280	686,660
Provision for Workers' Welfare Fund - net	1,039,909	937,027
	240,319,832	378,030,942
	291,109,315	421,797,982
(Increase) / decrease in assets		
Advances, deposits, prepayments and other receivables	59,671,033	(46,687,720)
Ijarah rentals receivable	7,287,343	5,168,226
Short term investments	159,694,491	200,198,111
Diminishing musharika	154,019,733	(264,336,495)
Purchase of assets under ijarah arrangements	(18,831,420)	(73,566,500)
Proceeds from disposal of assets under ijarah arrangements	1,202,250	6,030,153
	363,043,430	(173,194,225)
Increase / (decrease) in liabilities		
Accrued and other liabilities	(718,837)	(37,091,416)
Advance ijarah rentals received	-	(4,645,531)
Security deposits	3,345,785	6,498,652
	2,626,948	(35,238,295)
	656,779,693	213,365,462
Profit paid on		
- Redeemable capital	(136,066,365)	(233,562,442)
- Term finance arrangements	(34,698,918)	(62,264,904)
	(170,765,283)	(295,827,346)
Taxes and levy paid	(22,972,749)	(20,787,551)
Net cash generated from / (used in) operating activities	463,041,661	(103,249,435)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of tangible assets	-	(3,159,851)
Income received on bank deposits	12,401,128	20,943,555
Net cash generated from investing activities	12,401,128	17,783,704
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from redeemable capital less repayments	(496,045,000)	656,000,000
Lease liability paid	(2,774,360)	-
Term finance less repayments	180,479,833	(1,433,617)
Profit distributed to certificate holders	(4,450)	-
Net cash (used in) / generated from financing activities	(318,343,977)	654,566,383
Net increase in cash and cash equivalents during the period	157,098,812	569,100,652
Cash and cash equivalents at the beginning of the period	604,579,710	329,627,579
Cash and cash equivalents at the end of the period	761,678,522	898,728,231

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The annexed notes from 1 to 26 form an integral part of these condensed interim financial statements.

**For OLP Services Pakistan (Private) Limited
(Management Company)**

SD	SD	SD	SD
Chief Executive	Director	Director	Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

For The Three Months Period Ended September 30, 2025

	Issued, subscribed and paid-up certificate capital	Capital reserve			Revenue reserve	Total Reserve	Total
		Premium on issue of modaraba certificates	Statutory reserve	Sub-total	Unappropriated profit		
----- (Rupees) -----							
Balance as on July 01, 2024 (audited)	453,835,300	55,384,700	523,503,337	578,888,037	210,869,362	789,757,399	1,243,592,699
Total comprehensive income for the period							
- Profit for the three months period ended September 30, 2024	-	-	-	-	33,186,706	33,186,706	33,186,706
- Other comprehensive income for the three months period ended September 30, 2024	-	-	-	-	-	-	-
	-	-	-	-	33,186,706	33,186,706	33,186,706
Transactions with owners							
Contributions and distributions							
Profit distribution for the year ended June 30, 2024 @ Rs. 2 per certificate declared subsequent to the year ended June 30, 2024	-	-	-	-	(90,767,060)	(90,767,060)	(90,767,060)
Balance as at September 30, 2024 (un-audited)	453,835,300	55,384,700	523,503,337	578,888,037	153,289,008	732,177,045	1,186,012,345
Balance as on July 01, 2025 (audited)	453,835,300	55,384,700	523,503,337	578,888,037	294,179,147	873,067,184	1,326,902,484
Total comprehensive income for the period							
- Profit for the three months period ended September 30, 2025	-	-	-	-	33,308,272	33,308,272	33,308,272
- Other comprehensive income for the three months period ended September 30, 2025	-	-	-	-	-	-	-
	-	-	-	-	33,308,272	33,308,272	33,308,272
Transactions with owners							
Contributions and distributions							
Profit distribution for the year ended June 30, 2025 @ Rs. 2.5 per certificate declared subsequent to the year ended June 30, 2025	-	-	-	-	(113,458,825)	(113,458,825)	(113,458,825)
Balance as at September 30, 2025 (un-audited)	453,835,300	55,384,700	523,503,337	578,888,037	214,028,594	792,916,631	1,246,751,931

The annexed notes from 1 to 26 form an integral part of these condensed interim financial statements.

For OLP Services Pakistan (Private) Limited
(Management Company)

SD
Chief Executive

SD
Director

SD
Director

SD
Chief Financial Officer

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

For The Three Months Period Ended September 30, 2025

1 STATUS AND NATURE OF BUSINESS

OLP Modaraba ('the Modaraba') was formed under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the Rules framed thereunder and is managed by OLP Services Pakistan (Private) Limited ('the Management Company'). The Management Company is a wholly owned subsidiary of OLP Financial Services Pakistan Limited.

The registered office of the Management Company is situated at OLP Building, Plot No. 16, Sector No. 24, Korangi Industrial Area, Karachi.

The Modaraba is operated through a head office in Karachi which is situated at 6th Floor, Syedna Tahir Saifuddin Trust Building, Beaumont Road, Civil Lines and two branches which are located in Lahore and Islamabad. The Lahore branch office is situated at office no. 08, Park Lane Tower, 172-Tufail road, Lahore Cantonment. The Islamabad branch is situated at Ground Floor, Phase 1, State Life Building No. 5, Nazimuddin Road, Blue Area, Islamabad.

The Modaraba is a perpetual Modaraba and is primarily engaged in financing of plant and machinery, motor vehicles (both commercial and private), computer equipment and housing under the modes of ijarah (Islamic leasing) and diminishing musharaka. The Modaraba may also invest in commercial and industrial ventures suitable for the Modaraba. The Modaraba is listed on the Pakistan Stock Exchange Limited.

The Pakistan Credit Rating Agency Limited (PACRA) has assigned long term rating of AA (June 30, 2025: AA) and short term rating of A1+ (June 30, 2025: A1+) to the Modaraba on February 28, 2025.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. The approved accounting standards 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;
- Requirements of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules, 1981 and Modaraba Regulations, 2021;

-
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act 2017; and
 - Provisions of and directives issued by the Securities and Exchange Commission of Pakistan (SECP), under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the Companies Act, 2017.

Wherever the requirements of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules, 1981, Modaraba Regulations, 2021, IFAS, the Companies Act, 2017 and provisions of and directives issued by the Securities and Exchange Commission of Pakistan (SECP), under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the Companies Act, 2017 differ from IAS 34, the requirements of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules, 1981, Modaraba Regulations, 2021, IFAS, the Companies Act, 2017 and provisions of and directives issued by the Securities and Exchange Commission of Pakistan (SECP), under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the Companies Act, 2017 have been followed.

2.2 The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of IAS 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required for a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Modaraba for the year ended June 30, 2025.

2.3 These condensed interim financial statements are unaudited.

2.4 Functional and presentation currency

These condensed interim financial statements are presented in Pakistani Rupees which is also the Modaraba's functional currency. All financial information presented has been rounded off to the nearest Rupee, unless otherwise stated.

3 MATERIAL ACCOUNTING POLICIES, ESTIMATES AND JUDGEMENTS

3.1 The accounting policies and accounting estimates adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those that were applied in the preparation of the annual published audited financial statements of the Modaraba for the year ended June 30, 2025.

3.2 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, judgements and assumptions that affect the reported amounts of assets and liabilities, income and expenses. It also requires the management to exercise judgements in application of the Modaraba's accounting policies. The estimates, judgements 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 judgements 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 of the modaraba for the year ended June 30, 2025.

3.3 Standards, interpretations and amendments to the published accounting and reporting standards that are effective in the current period

There are certain amendments to the standards and new interpretations that are mandatory for accounting periods beginning on or after July 1, 2025 but are considered not to be relevant or do not have any significant effect on the Modaraba's operations and are, therefore, not detailed in these unconsolidated condensed interim financial statements.

3.4 Standards, interpretations and amendments to the published accounting and reporting standards that are not yet effective

There are certain other new and amended standards, interpretations and amendments that are mandatory for the Modaraba's accounting periods beginning on or after October 01, 2025 but are considered not to be relevant or will not have any significant effect on the Modaraba's operations and are, therefore, not detailed in these condensed interim financial statements.

4 FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Modaraba are consistent with those disclosed in the annual published audited financial statements of the Modaraba for the year ended June 30, 2025.

5 DIMINISHING MUSHARAKA

		September 30, 2025 (Un-audited)	June 30, 2025 (Audited)
	Note	----- (Rupees) -----	
Staff - considered good			
- Housing finance		16,223,158	18,181,799
- Motor vehicles		21,072,938	10,710,900
- Others		1,172,150	1,154,063
	5.1 & 5.2	38,468,246	30,046,762
Others - considered good			
- Housing finance		297,002,336	308,362,179
- Motor vehicles		3,273,688,923	3,241,336,652
- Plant, machinery and equipment		2,969,123,604	3,154,647,116
		6,539,814,863	6,704,345,947
Others - considered bad or doubtful			
- Housing finance		3,693,976	4,373,768
- Motor vehicles		16,899,972	16,880,285
- Plant, machinery and equipment		158,003,278	155,253,307
		178,597,226	176,507,360
Less: Allowance for ECL against diminishing musharika	5.3	(109,931,930)	(100,742,343)
Others - net of ECL Allowance		6,608,480,159	6,780,110,964
		6,646,948,405	6,810,157,726

5.1 Staff balances above represent finance provided to employees, officers and key management personnel of the Modaraba under diminishing musharaka arrangement for renovation, construction and purchase of house, purchase of vehicles and other consumer durables. These carry profit at the effective rates ranging from 0% to 11.80% (June 30, 2025: 0% to 14.35%) per annum and are repayable on monthly basis over a maximum period of 20 years (June 30, 2025: 20 years).

5.1.1 Staff balances above, includes diminishing musharika facility availed by key management personnel as per employment terms, with respect to housing finance, motor vehicles and personal finance amounting to Rs. 0.97 million (June 30, 2025: Rs. 2.22 million), Rs. 7.92 million (June 30, 2025: Rs. 3.40 million) and Rs. 0.24 million (June 30, 2025: Rs. 0.30 million) respectively. These are secured against diminishing musharika assets.

5.2 Reconciliation of carrying amounts of finance provided to employees and officers under diminishing musharaka arrangement

	September 30, 2025 (Un-audited)	June 30, 2025 (Audited)
	(Rupees).....	
Opening balance	30,046,762	55,087,309
Disbursements during the period / year	16,935,999	4,245,000
Net movement from prepaid during the period / year	(1,313,552)	32,591,616
Unwinding of staff finances	1,381,421	7,351,607
Transfer of resigned staff	(6,651,873)	(58,171,881)
Receipts during the period / year	(1,930,510)	(11,056,889)
Closing balance	<u>38,468,246</u>	<u>30,046,762</u>

5.3 Movement in ECL allowance against diminishing musharika

Opening balance	100,742,343	57,586,643
Charge for the period / year - net	9,189,587	43,155,700
Closing balance	<u>109,931,930</u>	<u>100,742,343</u>

5.4 Break-up of diminishing musharaka between long-term and current portion

Current portion of diminishing musharika	2,253,732,653	2,123,532,848
Less: ECL allowance	(49,987,772)	(49,987,772)
	<u>2,203,744,881</u>	<u>2,073,545,076</u>
Long-term portion of diminishing musharika	4,503,147,682	4,787,367,221
Less: ECL allowance	(59,944,158)	(50,754,571)
	<u>4,443,203,524</u>	<u>4,736,612,650</u>

5.5 During the period, the Modaraba has not availed the benefit of forced sales value of assets held as collateral against non-performing diminishing musharaka as allowed under the Modaraba Regulations, 2021 issued by the SECP.

5.6 Diminishing musharika carries profit at the rate ranging between 14.33% to 15.78% (June 30, 2025: 12.81% to 26.19%) per annum.

5.7 The table below presents information on the stages of ECL allowance related to diminishing musharika financing:

Diminishing musharaka

September 30, 2025		June 30, 2025	
Outstanding principal	Expected Credit Loss Allowance	Outstanding principal	Expected Credit Loss Allowance
(Rupees)		(Rupees)	
6,210,868,688	2,953,970	6,403,384,253	4,476,308
393,829,268	5,319,105	460,427,436	6,117,442
306,704,801	101,658,855	204,266,615	90,148,593
6,911,402,758	109,931,930	7,068,078,304	100,742,343

5.8 An analysis of change in allowance for ECL in relation to diminishing musharaka financing is as follows:

Opening balance
Charge/(reversal) for the period
Closing balance

September 30, 2025			
Stage 1	Stage2	Stage 3	Total
(Rupees)-----			
4,476,308	6,117,442	90,148,593	100,742,343
(1,522,338)	(798,337)	11,510,262	9,189,587
2,953,970	5,319,105	101,658,855	109,931,930

June 30, 2025			
Stage 1	Stage2	Stage 3	Total
(Rupees)-----			
3,283,926	5,929,517	48,373,200	57,586,643
1,192,382	187,925	41,775,393	43,155,700
4,476,308	6,117,442	90,148,593	100,742,343

Opening balance
Reversal for the period
Closing balance

6 IJARAH ASSETS

Note

September 30, 2025 (Un-audited)	June 30, 2025 (Audited)
(Rupees)-----	

Ijarah contracts - accounted for under IFAS 2

6.1 & 6.2

683,547,996	736,741,555
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6.1 Assets under ijarah arrangements

During the three months period ended September 30, 2025, additions amounting to Rs 18.83 million (September 30, 2024: Rs. 73.57 million) and disposals amounting to Rs. 8.60 million (September 30, 2024: Rs. 11.30 million) were made to the assets under ijarah arrangements.

Ijarah assets

Additions at cost during the period
- Plant, machinery and equipments

Disposals at cost during the period
- Plant, machinery and equipments
- Motor vehicles

September 30, 2025 (Un-audited)	September 30, 2024 (Un-audited)
(Rupees)-----	
18,831,420	73,566,500
18,831,420	73,566,500
-	11,299,500
8,604,500	-
8,604,500	11,299,500

6.2 The Modaraba has entered into ijarah agreement for period for 3 years (June 30, 2025: 1 to 5 years). Security deposits of about 20% (June 30, 2025: 0% to 43%) is obtained at the time of disbursement. The rate of profit implicit in ijarah finance is 14.83% (2025: 13.31% to 26.07%) per annum.

6.3 During the period, the Modaraba has not availed the benefit of forced sales value of assets held as collateral against non-performing ijarah as allowed under the Modaraba Regulations, 2021 issued by the SECP.

7 PROPERTY AND EQUIPMENT

Tangible assets in own use
Right-of-use assets

September 30, 2025 (Un-audited)	June 30, 2025 (Audited)
.....(Rupees).....	
11,869,685	13,050,869
56,350,858	59,911,993
68,220,543	72,962,862

8 INTANGIBLE ASSETS

Software

8.1

September 30, 2025 (Un-audited)	June 30, 2025 (Audited)
1,354,186	1,825,173

8.1 During the period, the Modaraba acquired software amounting to Nil (September 30, 2024: Rs. 0.76 million).

9 CASH AND BANK BALANCES

Balances with banks in:

- current accounts
- deposit accounts

9.1 & 9.2

Balance with the State Bank of Pakistan
Cash in hand

September 30, 2025 (Un-audited)	June 30, 2025 (Audited)
.....(Rupees).....	
4,569,645	14,144,315
756,483,287	589,909,805
338,893	338,893
286,697	186,697
761,678,522	604,579,710

9.1 These carry profit at the rates ranging between 5% to 8.65% (June 30, 2025: 5% to 19%) per annum.

9.2 The balances held with banks in deposit accounts have been kept in order to comply with the requirement of the Modaraba Regulations, 2021 issued by the SECP with respect to the maintenance of the prescribed liquidity against the Certificates of Musharika issued by the Modaraba.

10 IJARAH RENTALS RECEIVABLE

Ijarah rentals receivable - considered good - secured
Ijarah rentals receivable - considered bad or doubtful 10.3

Less: allowance for ECL on ijarah rentals receivable 10.1

September 30, 2025 (Un-audited)	June 30, 2025 (Audited)
.....(Rupees).....	
35,044,355	41,025,963
54,873,701	56,179,437
89,918,056	97,205,400
(65,019,579)	(63,494,776)
24,898,477	33,710,624

	Note	September 30, 2025 (Un-audited)	June 30, 2025 (Audited)
		(Rupees)	
10.1 Allowance for ECL on ijarah rentals receivable			
Opening balance		63,494,776	54,159,836
Provision for the period / year - net		1,524,803	9,334,940
Closing balance		65,019,579	63,494,776

10.2 During the period, the Modaraba has not availed the benefit of forced sales value of assets held as collateral against non-performing ijarah as allowed under the Modaraba Regulations, 2021 issued by the SECP.

10.3 The following table sets out information about the Expected Credit Losses (ECL) provision of ijarah rental receivable:

	September 30, 2025		June 30, 2025	
	Outstanding principal	Expected Credit Loss Allowance	Outstanding principal	Expected Credit Loss Allowance
	(Rupees)		(Rupees)	
Ijarah				
Stage 1	373,212,912	125,489	519,124,456	279,548
Stage 2	123,723,975	1,134,754	46,139,020	208,320
Stage 3	106,002,027	78,043,290	102,282,812	77,290,863
	602,938,914	79,303,534	667,546,288	77,778,731
less: impairment on ijarah assets	-	(14,283,955)	-	(14,283,955)
	602,938,914	65,019,579	667,546,288	63,494,776

10.3.1 ECL is recorded on exposure at default which consists of future cashflows that the Modaraba is entitled to receive through out the contract period. While ijarah receivable is only recorded for the amount accrued at period end. Therefore if the ECL amount exceeds the ijarah receivable recorded, it is recognised as impairment of ijarah asset. There has been no change in the impairment on ijarah assets during the period ended September 30, 2025.

10.4 An analysis of change in ECL provision in relation to ijarah rental receivable is, as follows:

	September 30, 2025			
	Stage 1	Stage2	Stage 3	Total
	(Rupees)			
Opening balance	279,548	208,320	63,006,908	63,494,776
(Reversal) / charge for the period	(154,058)	926,435	752,427	1,524,803
Closing balance	125,489	1,134,754	63,759,335	65,019,579
	June 30, 2025			
	Stage 1	Stage2	Stage 3	Total
	(Rupees)			
Opening balance	616,793	-	53,543,043	54,159,836
(Reversal) / charge for the period	(337,245)	208,320	9,463,865	9,334,940
Closing balance	279,548	208,320	63,006,908	63,494,776

		September 30, 2025 (Un-audited)	June 30, 2025 (Audited)
	Note	----- (Rupees) -----	
11	SHORT-TERM INVESTMENTS		
At fair value through profit or loss			
Investment in mutual funds	9.2	40,915	159,735,406
12	TERM FINANCE ARRANGEMENTS		
Musharaka / Wakala finance	12.1, 12.2 & 12.3	1,237,258,552	906,778,716
Less: current portion of term finance arrangements		(476,861,970)	(318,836,244)
Long-term portion of term finance arrangements		<u>760,396,582</u>	<u>587,942,472</u>

12.1 Musharaka / Wakala Finance

Name of bank	Facility limit		Frequency of profit payment	Tenor		Balance outstanding	
	As at September 30, 2025 (Un-audited)	As at June 30, 2025 (Audited)		September 30, 2025 (Un-audited)	June 30, 2025 (Audited)	As at September 30, 2025 (Un-audited)	As at June 30, 2025 (Audited)
	(Rupees)					(Rupees)	
Allied Bank Limited	500,000,000	500,000,000	Quarterly	3-5 years	3-5 years	263,258,552	295,528,720
Meezan Bank Limited	500,000,000	500,000,000	Quarterly	5 years	5 years	250,000,000	281,249,996
Al Baraka Bank (Pakistan) Limited	300,000,000	300,000,000	Quarterly	5 years	5 years	300,000,000	300,000,000
Pakistan Mortgage Refinance Company Limited	48,000,000	48,000,000	Quarterly	5 years	5 years	24,000,000	30,000,000
Habib Metro Politan Limited	400,000,000	-	Quarterly	5 years	-	400,000,000	-
						<u>1,237,258,552</u>	<u>906,778,716</u>

The aforementioned facilities are secured against exclusive hypothecation over term deposit receipts, specific movable Ijarah and diminishing musharaka assets and the rentals / installments receivable in respect of such assets.

12.2 These carry profit at the rates ranging between 9.52% to 12.13% (June 30, 2025: 12.08% to 22.77%) per annum.

		September 30, 2025 (Un-audited)	June 30, 2025 (Audited)
	Note	----- (Rupees) -----	
13	PROFIT DISTRIBUTION PAYABLE		
Profit distribution payable for the year ended June 30, 2025	13.1	113,458,825	-
Unclaimed profit distribution		79,888,519	79,892,967
		<u>193,347,344</u>	<u>79,892,967</u>

13.1 This includes dividend payable to OLP Financial Services Pakistan Limited and OLP Services Pakistan (Private) Limited amounted to Rs. 11,345,883 (June 30, 2025: Nil) each.

14 CONTINGENCIES AND COMMITMENTS

14.1 Contingencies

There were no contingencies outstanding as at September 30, 2025 and June 30, 2025.

14.2 Commitments

The Modaraba has issued letter of comfort to Askari Bank Limited on behalf of M/s. Hussain Can Company (Pvt.) Limited as at period end amounting to Rs 39.760 million (June 2025: Sindh Bank Limited on behalf of M/s. AIMS Hosiery Limited & M/s. Demont Research Laboratories (Pvt.) Limited as at year end amounting to Rs. 102.17 million) for guaranteeing the payment against import of plant and machinery which will ultimately be given by the Modaraba to the client against diminishing musharika or ijarah arrangements.

15 FINANCIAL AND OTHER CHARGES	Three months period ended September 30,	
	2025	2024
	(Un-audited)	
	(Rupees).....	
Profit on redeemable capital	134,065,550	216,698,416
Profit on term finance arrangements	29,971,646	60,556,864
Commission	11,518,329	10,919,441
Unwinding of security deposits	6,522,890	10,656,135
Profit on lease finance	1,889,124	-
Bank charges	84,237	110,653
	<u>184,051,776</u>	<u>298,941,509</u>

16 MANAGEMENT COMPANY'S REMUNERATION

The Modaraba Management Company is entitled to a remuneration for services rendered to the Modaraba under the provisions of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 up to a maximum of 10% per annum of the net annual profits of the Modaraba. The remuneration for the three months ended September 30, 2025 has been recognised at 10% (June 30, 2025: 10%) of the profit before taxation for the period before charging such remuneration.

17 PROVISION FOR SERVICES SALES TAX ON THE MANAGEMENT COMPANY'S REMUNERATION

During 2013, the Sindh Revenue Board (SRB) levied Sindh sales tax on management remuneration, which is paid by the Modaraba to its Management Company under the provisions of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, treating it as a fee and chargeable under the Sindh Sales Tax Act, 2011. The Modaraba, however, considers that the management remuneration is an allocation of profit under the Shariah principle of "Modaraba" and therefore does not qualify to be treated as a fee and hence, does not attract any services sales tax.

Pursuant to Order number SRB-COM-I/AC-V/Mgt/SCSOP/5878/2012 of the SRB dated April 22, 2013 issued to the Management Company, the Modaraba has recorded a provision in respect of Sindh Sales Tax on the Management Company's remuneration at applicable rates with effect from November 1, 2011. The Management Company had filed an appeal before the Appellate Tribunal SRB against this order. The Appellate Tribunal SRB through its order dated February 19, 2016 allowed the appeal and set aside the order-in-original and order-in-appeal and remanded back the case to the assessing officer for re-assessment. Thereafter, on April 8, 2016, the assessing officer issued a fresh notice to the Management Company contending that sales tax on the Management Company's remuneration is applicable. Against the notice, the Management Company has filed an appeal before the Honorable Sindh High Court. As an interim relief, the Court vide its Order dated October 13, 2016 has stopped the assessing authorities to pass any final order till the culmination of its proceedings. The interim relief was reconfirmed by the Court in its Order dated November 5, 2018. In an order dated September 12, 2024, the Honorable Sindh High Court (the Court) rejected the plaint and advised to plead its case before the department. However, the Modaraba has continued to recognise the provision for services sales tax on the Management Company's remuneration.

18 **PROVISION FOR WORKERS' WELFARE FUND**

As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income.

The Sindh Revenue Board (SRB) vide letter no. SRB/DC-A(W)/2017/Rep/4760 dated January 16, 2017 had advised the Modaraba to pay off all its liabilities falling due under the SWWF Act. The management considered that the SWWF Act is limited only to the province of Sindh and till the time there is any mechanism available for apportionment of total income relevant to province of Sindh, no SWWF liability to SRB can be paid out. On these grounds, foreseeing the expected WWF demand and penal actions from SRB, the Modaraba had filed a Constitutional Petition (CP) No. CP.D.3879/2017 with the Honorable Sindh High Court. On March 16, 2020, an interim order was issued by the Honorable Sindh High Court whereby the Modaraba was instructed to deposit the SWWF liability either with SRB or Nazir as appointed by the Court. During the year, no amount has been deposited relating to SWWF (June 30, 2025: Nil). The management has provided for SWWF liability for the period from January 1, 2014 to September 30, 2025 in these financial statements on a prudent basis. During the year, the Honourable High Court of Sindh ruled in favour of Modarabas that the Modarabas having trans-provincial operations will pay WWF to FBR and Modarabas' operating within a single province will pay WWF to their respective Provincial Revenue Board. However, SRB has challenged such decision in Supreme Court of Pakistan.

19 **LEVY AND TAXATION**

Levy - final tax

- Taxation
- Current
- Deferred

Three months period ended September 30,	
2025	2024
(Un-audited)(Rupees).....	
166,123	2,147,289
33,037,577	11,167,957
(15,390,242)	(587,623)
17,647,335	10,580,334

19.1 This represents final taxes paid under section 150 of Income Tax Ordinance, 2001, representing levy in terms of requirements of IFRIC 21 and IAS 37.

20 EARNINGS PER CERTIFICATE – BASIC AND DILUTED

Diluted earnings per certificate have not been presented as the Modaraba does not have any convertible instruments in issue as at September 30, 2025 and September 30, 2024 which would have any effect on the earnings per certificate if the option to convert is exercised.

21 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS / RELATED PARTIES

Parties which are related to the Modaraba as per the requirements of IAS 24 'Related Party Disclosures', include associates, directors, staff retirement benefit plans and key management personnel. Remuneration of key management personnel are in accordance with the terms of employment. Dividend payout is recorded at the rate approved by the Modaraba Management Company. The Management Company's remuneration is in accordance with the rate mentioned in the law. Contributions to the staff provident fund and staff gratuity fund are made in accordance with the service rules. Other transactions are at agreed rates. The Modaraba enters into transactions with related parties for lease of assets and other general services. These transactions are based on a transfer pricing policy under which all transactions are carried out on agreed terms.

	Three months period ended September 30,	
	2025	2024
	(Un-audited)	
	----- (Rupees) -----	
21.1 Transactions during the period		
OLP Financial Services Pakistan Limited		
Holding Company of the Management Company		
Dividend	11,345,883	9,076,706
Allocated cost to the Modaraba for Islamabad office	200,001	200,000
OLP Services Pakistan (Private) Limited		
- Management Company		
Management Company's remuneration	5,875,200	5,282,002
Dividend	11,345,883	9,076,706
Rent reimbursement	-	2,645,454
Profit expense	1,477,480	-
Depreciation expense	2,735,804	-
Staff retirement benefits funds		
Contribution made to OLP Modaraba - staff provident fund	1,549,127	1,812,367
Contribution made to OLP Modaraba - staff gratuity fund	1,290,416	1,511,336
Reimbursement to OLP Modaraba - staff gratuity fund	16,506	699,451
Director of Holding Company of the Management Company		
Dividend	250,000	200,000
Director of the Management Company		
Dividend	15,123	12,098

**Three months period ended
September 30,**

	2025	2024
	(Un-audited)	
	----- (Rupees) -----	
Key management personnel		
Salaries and benefits	12,367,077	18,696,242
Contribution to staff provident fund	478,032	587,071
Contribution to staff gratuity fund	398,202	489,030
Reimbursement to staff gratuity fund	-	471,461
Income on diminishing musharaka arrangements	53,993	3,915,022
Profit on redeemable capital for the period	820,907	2,104,870
Redeemable capital (redeemed) / issued (net off redemption)	(2,550,000)	-
No. of persons	7	7

21.2 Balances outstanding as at period / year end (other than those disclosed in respective notes)

	September 30, 2025 (Un-audited)	June 30, 2025 (Audited)
	----- (Rupees) -----	
OLP Financial Services Pakistan Limited		
- Holding Company of the Management Company		
Certificate capital [Certificates held: 4,538,353 (June 30, 2025: 4,538,353)]	45,383,530	45,383,530
OLP Services Pakistan (Private) Limited		
- Management Company		
Certificate capital [Certificates held: 4,538,353 (June 30, 2025: 4,538,353)]	45,383,530	45,383,530
Remuneration payable to the Management company	19,844,506	29,103,352
Payable for reimbursement of expenses incurred by Management Company	8,377,272	-
Director of Holding Company of the Management Company		
Certificate capital [Certificates held: 100,000 (June 30, 2025: 100,000)]	1,000,000	1,000,000
Dividend payable	250,000	-
Directors of the Management Company		
Certificate capital [Certificates held: 6,049 (June 30, 2025: 6,049)]	60,490	60,490
Dividend payable	15,123	-
Key management personnel		
Accrued profit on finances under diminishing musharaka	72,533	22,725
Profit payable on redeemable capital	2,633,694	3,721,000
Redeemable capital [Certificates held: 44 (June 30, 2025: 47)]	31,100,000	33,650,000

22 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Modaraba is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

22.1 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:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: 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); and
- Level 3: inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The following table shows the carrying amounts and fair values of all financial assets and financial liabilities, including their levels in the fair value hierarchy.

	As at September 30, 2025 (Un-audited)							
	Carrying value				Fair value			
	Fair value through profit or loss	Fair value through OCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total
(Rupees)								
Financial assets measured at fair value								
Investments	40,915	-	-	40,915	40,915	-	-	40,915
Financial assets not measured at fair value								
Cash and bank balances	-	-	761,678,522	761,678,522	-	-	-	-
Ijarah rentals receivable	-	-	24,898,477	24,898,477	-	-	-	-
Advances, deposits, and other receivables	-	-	90,927,432	90,927,432	-	-	-	-
Diminishing musharaka	-	-	6,646,948,405	6,646,948,405	-	-	-	-
Total	40,915	-	7,524,452,836	7,524,493,751	40,915	-	-	40,915
Financial liabilities not measured at fair value								
Running Musharaka	-	-	-	-	-	-	-	-
Term finance arrangements	-	-	1,237,258,552	1,237,258,552	-	-	-	-
Security deposits	-	-	275,397,471	275,397,471	-	-	-	-
Accrued and other liabilities	-	-	289,268,874	289,268,874	-	-	-	-
Redeemable capital	-	-	5,137,410,000	5,137,410,000	-	-	-	-
Unclaimed profit distribution	-	-	193,347,344	193,347,344	-	-	-	-
Total	-	-	7,132,682,241	7,132,682,241	-	-	-	-

As at June 30, 2025 (Audited)							
Carrying value				Fair value			
Fair value through profit or loss	Fair value through OCI	Amortised cost	Total	Level 1	Level 2	Level 3	Total

Financial assets measured at fair value

Investments	159,735,406	-	-	159,735,406	159,735,406	-	-	159,735,406
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Financial assets not measured at fair value

Cash and bank balances	-	-	604,579,710	604,579,710	-	-	-	-
Ijarah rentals receivable	-	-	33,710,624	33,710,624	-	-	-	-
Advances, deposits and other receivables	-	-	138,672,900	138,672,900	-	-	-	-
Diminishing musharaka	-	-	6,810,157,726	6,810,157,726	-	-	-	-
Total	159,735,406	-	7,587,120,960	7,746,856,366	159,735,406	-	-	159,735,406

Financial liabilities not measured at fair value

Term finance arrangements	-	-	906,778,716	906,778,716	-	-	-	-
Running Musharaka	-	-	150,000,000	150,000,000	-	-	-	-
Security deposits	-	-	278,574,576	278,574,576	-	-	-	-
Accrued and other liabilities	-	-	296,715,793	296,715,793	-	-	-	-
Redeemable capital	-	-	5,633,455,000	5,633,455,000	-	-	-	-
Unclaimed profit distribution	-	-	79,892,967	79,892,967	-	-	-	-
Total	-	-	7,345,417,052	7,345,417,052	-	-	-	-

In the opinion of management, fair value of the financial assets and liabilities not measured at fair value are not significantly different from their carrying values since these assets and liabilities are short term in nature or are periodically repriced.

23 SEGMENT INFORMATION

As per IFRS 8, "Operating Segments", operating segments are reported in a manner consistent with the internal reporting used by the chief operating decision-maker. The Chief Executive Officer of the Management Company has been identified as the chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments.

The Chief Executive Officer is responsible for the Modaraba's entire product portfolio and considers the business to have a single operating segment. The Modaraba's asset allocation decisions are based on a single integrated investment strategy and the Modaraba's performance is evaluated on an overall basis.

The internal reporting provided to the Chief Executive Officer for the Modaraba's assets, liabilities and performance is prepared on a consistent basis with the measurement and recognition principles of the approved accounting standards as applicable in Pakistan.

The Modaraba is domiciled in Pakistan and all of its income is generated in Pakistan.

The Modaraba also has a diversified certificate holder population. As at September 30, 2025, there were only two (June 30, 2025: two) certificate holders who individually hold equal to or more than 10% of the Modaraba's certificate capital. Their holdings were 10% and 10% (June 30, 2025: 10% and 10%) respectively.

24 CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the cash flow statement comprise of the following amounts appearing on the balance sheet:

**Three months period ended
September 30,**

2025	2024
(Un-audited)	
(Rupees)-----	
761,678,522	898,728,231

Cash and bank balances

25 CORRESPONDING FIGURES

Corresponding figures have been rearranged or reclassified wherever necessary for the purpose of comparison and better presentation. No significant rearrangements or reclassifications have been made in these condensed interim financial statements during the current period except reported in Note of these condensed interim financial statements.

26 DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue on October 27, 2025 by the Board of Directors of the Management Company.

**For OLP Services Pakistan (Private) Limited
(Management Company)**

SD	SD	SD	SD
Chief Executive	Director	Director	Chief Financial Officer



OLP

OLP Modaraba
(Formerly ORIX Modaraba)

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