OLP

OLP Modaraba

ANNUAL REPORT

2026



Collaborative growth
built on
Shariah principles

In the name of Allah the most gracious,
the most merciful

Do not consume one another's wealth unjustly, but only through trade based on mutual consent.

Surah An-Nisa 4:29




39
YEARS
OF EXCELLENCE
ANZ
First Grindlays
Modaraba
PEOPLE
DRIVE
POSSIBILITY
Standard
Chartered
Modaraba
IDEAS
CREATE
OPPORTUNITY


ORIX
Modaraba
ORIX
DISCIPLINE
FUELS
GROWTH
OLP Modaraba
OLP
LONG-TERM
VALUE
LASTS

LANDMARKS



1987

1). Agreement between Modaraba Management Company and Grindlays Bank PLC.

2). Musharika Agreement with Grindlays Bank Plc of PKR 21.8 Million for Modaraba to use the funds in its business.

3). Floatation of Share subscription form of First Grindlays Modaraba managed by(Grindlays Services of Pakistan (Pvt) Limited

1989

Appointment of M/s Famco Associates & Co as Share registrar for Modaraba

1990

1). First Right Issue of 5 Million Share Certificate

2). First Modaraba in the sector to have Crossed the PKR 1 Billion Landmark of net cumulative leases written

1991

First Branch office in Lahore

1992

1). Second Right Issue of 13.5 Million Modaraba Certificate

2). First Bonus Issue of 1.5 MillionModaraba Certificate

1993

Second Bonus Issue of 1.5 Million Modaraba Certificate

1994

Third Bonus Issue of 3.15 Million Modaraba Certificate

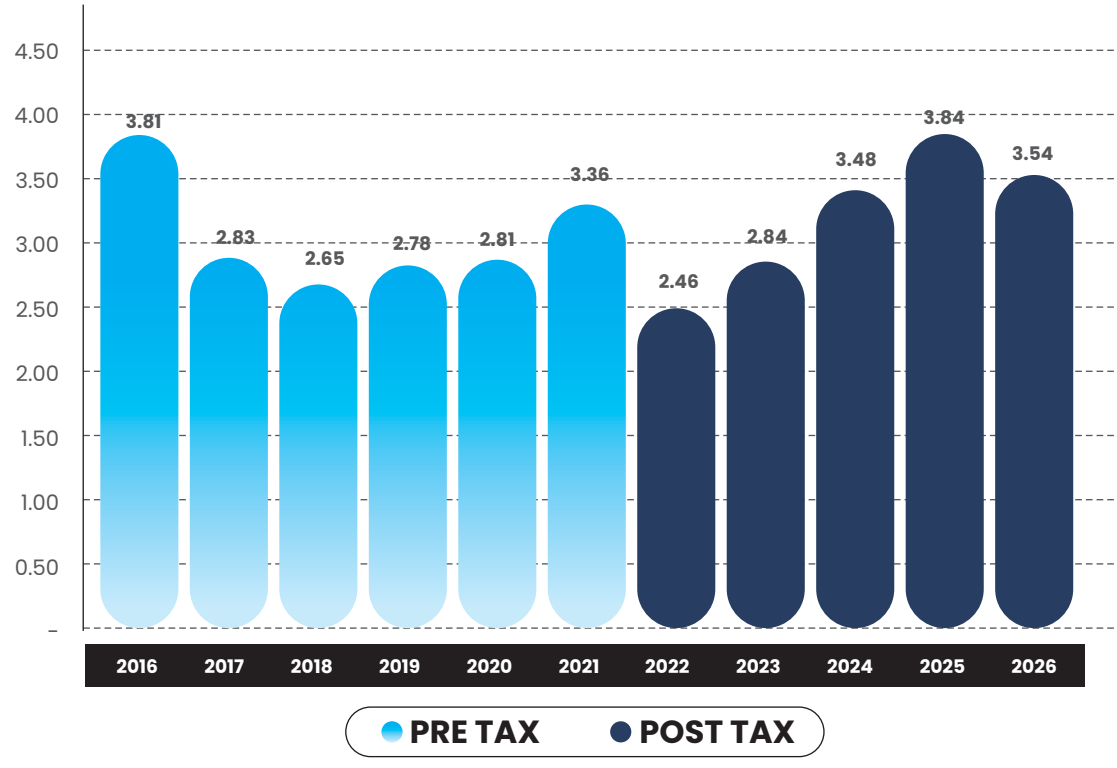
1995

1). Approval for the Issuance of Certificate of Musharika by Registrar of Modaraba Companies and Modarabas.

2). Change of Financial Year from December to June

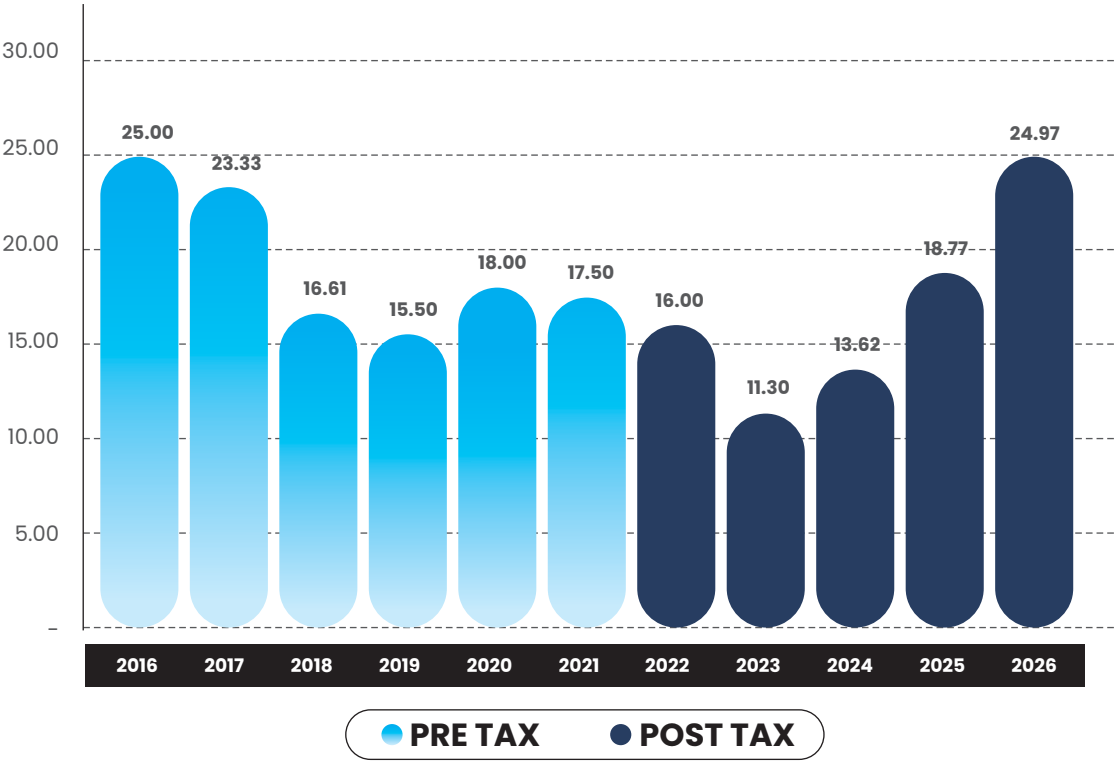

2025
Chaired by Independent Director
2024
Change in the Registered Address of Management Company
2022
1). Re-branding of name from ORIX Modaraba to OLP Modaraba
2). New Website
2020
Implementation of State of the Art IT Infrastructure to Virtually manage the operation for uninterrupted service to the clients in Covid-19.
2019
Appointment of First Female Director
2016
Change of name from Standard Chartered Modaraba to ORIX Modaraba
2015
1). MOU between ORIX Leasing Pakistan Limited and Standard Chartered Bank (Pakistan) limited for the divestment of shareholding in Modaraba.
2). Profit After Tax crossed PKR 195 Million for the year.
3). Migration from LMS software to AIB software
2014
Registration of Modaraba in Federal Sales Tax with FBR
2013
Registration of Modaraba in Punjab Revenue Board
2011
Registration of Modaraba in Sindh Revenue Board
2009
Adoption of Islamic Financial Standard-2 (IFAS-2) of SECP
2006
Increase in Authorised Capital of Modaraba to 50 Million Modaraba Certificate
2004
1). First time highest Rating of A1+ in short term and AA+ in Long term in the Modaraba and Leasing Sector
2). Change of name from First Grindlays Modaraba to Standard Chartered Modaraba
2000
1). Branch office in Islamabad
2). First Annual Review Meeting of Modaraba
3.) Launch of COMs to general public
1997
Fourth Bonus Issue of 2.77 Modaraba Certificate
1996
Registration of Modaraba in Income Tax

EARNINGS PER CERTIFICATE





MARKET VALUE PER CERTIFICATE





GROUP PROFILE

ORIX Corporation (ORIX) is a diversified financial services group. Along with its subsidiaries, it offers leasing, lending, rentals, automobile leasing and rentals, life insurance and card loans, trust and banking services, and real estate services to SMEs, corporates, and individuals. It also invests in, develops, and leases offices, commercial facilities, rental condominiums, and logistics centers. Apart from financial services, the Group deals in the areas of concession, agriculture, power generation, energy conservation, resources and waste processing, electric power supply, car sharing, and automobile management.

It operates through the following segments: Corporate Financial Services, Maintenance Leasing, Real Estate, Investment and Operation, Retail, and Overseas Business. The Corporate Financial Services segment offers leasing and loans to small and medium-sized enterprises. The Maintenance Leasing segment consists of automobile leasing, car sharing, and equipment rental services. The Real Estate segment deals with property development, leasing, and facilities management. The Investment and Operation segment comprises environment and energy-related business, loan servicing, and principal investments. The Retail segment offers life insurance, banking, and card loan services. The Overseas Business segment engages in financial services through overseas subsidiaries, business development and investment with business partners abroad, and aircraft and ship-related businesses.

The company has its operations spanning the US, Asia, Oceania, the Middle East, and Europe. ORIX is headquartered in Minato-ku, Tokyo, Japan and is listed on Tokyo and New York Stock Exchanges.

ORIX CORPORATION, JAPAN

FINANCIAL HIGHLIGHTS:

YEARS ENDED MARCH 31 (YEN IN BILLION)

	2026	2025	2024	2023	2022	2021
Total Revenue	3,330.83	2,874.82	2,814.36	2,663.65	2,508.04	2,292.36
Total Expense	2,874.58	2,542.99	2,453.64	2,327.73	2,218.28	2,033.89
"income before income taxes, discontinues operation and extra ordinary gain"	691.43	480.46	469.97	392.17	509.45	287.56
Net income attributable to Orix corporation shareholders	458.33	351.63	346.13	290.34	317.38	192.38
Orix corporation shareholders equity	4,482.50	4,089.78	3,941.46	3,543.61	3,304.20	3,028.46
Total Assets	18,002.78	16,866.25	16,322.10	15,289.38	14,280.68	13,563.08
ROE (in percentage)	10.40	8.80	9.20	8.50	10.00	6.40
ROA (in percentage)	2.57	2.12	2.19	1.96	2.28	1.44
Orix corporation shareholder equity per share (yen)	4.08	3.60	3.42	3.03	2.77	2.49
Cash dividend (yen)	170.80	135.59	99.90	106.29	99.39	95.16
Number of employees	34,000	33,982	33,807	34,737	32,235	33,153

OLP Modaraba

OLP Modaraba (OLPM) started its operations in 1987 as the First Grindlays Modaraba (FGM). The Modaraba, since then, continues growing its clientele and financial footing. In the year 2000, Standard Chartered Bank acquired the ANZ Grindlays Bank Asia operations. With this acquisition, FGM became a part of the global banking Standard Chartered Group PLC conglomerate. During these years, Standard Chartered Modaraba (SCM) became a pioneering Islamic Financial Institution in Pakistan. In 2016, ORIX Group of Japan acquired the SCB certificate holding in SCM. This was a landmark transaction where one of the world's largest rental and asset management conglomerate via OLPFS entered into specialized Islamic finance space, acquiring an entity that is undoubtedly a thought leader in the Pakistani Islamic Financial Market.

OLP Financial Services Pakistan Limited (OLPFS) exercises full control in OLP Modaraba through the fully owned management company and an aggregate holding of 20% stake in the certificates of Modaraba (10% directly and 10% indirectly through Modaraba Management Company). The OLP Modaraba is a member of NBFI & Modaraba Association of Pakistan and operates from offices in Karachi, Lahore and Islamabad.

GEOGRAPHICAL PRESENCES



AWARDS 2026

1) Corporate Social Responsibility Award from "The Professionals Network" in the following categories:

   - Reporting & Transparency;
   - Business Transformation; and

2) Corporate Social Responsibility Award from "National Forum for Environment & Health" in the category of Collaborative CSR & Multi-Stakeholder Partnerships





3) Certificate of achievement by NBFI & Modaraba Association of Pakistan.

4) Corporate Excellence Award from Management Association of Pakistan







Awards
RECEIVED DURING THE YEAR



Certificate of achievement by
NBFI & Modaraba Association of Pakistan.



15TH ANNUAL

CORPORATE SOCIAL RESPONSIBILITY AWARDS


AA
Long Term
A1+
Short Term

BUSINESS MODEL

In Islamic Jurisprudence Modaraba is a kind of partnership, wherein one partner provides finance to the other partner for the purpose of carrying on business. The partner (or a group of partners) who provides the finance, is called the "Rabb-ul-Mal", whereas the other party who puts its management skills for the Modaraba is called the "Modarib" (working partner). The operations of Modaraba are being supervised by Registrar Modaraba SECP and also supervised by Shariah Advisor OLPM under the Shariah Governance Mechanism issued by SECP.



Key Inputs

- Rich background of Group ;
- Experienced Management ;
- Shariah Compliant financial services ;
- Strong credit controls protocols ; and
- Effective controls mechanism.

Key Outputs

- Good market reputation ;
- Stable credit rating;
- Return on investment ; and
- Consistent profitability.

During the year there has been no change in the business model of Modaraba.

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ABOUT THE REPORT



Dear Reader,

OLP Modaraba has always been transparent in its practices of value creation for its investors of financial capital. We remain committed to strong corporate governance and leadership as well as transparency in our disclosures. The Report is organized to assist our readers in assessing our business by providing information about the capitals of the Modaraba. We have followed the Best Corporate Reporting Criteria issued by ICAP for the year ended June 30, 2026 to design this Annual Report to give readers an insight into the strategic thinking that drives OLP Modaraba forward, encompassing our strategy, governance, performance and prospects in the context of global environment.

This report integrates the following sections:

- Organizational overview and external environment
- Strategy and resource allocation
- Risks and opportunities
- Governance
- Corporate social responsibility
- Stakeholder's relationship and engagement
- Future Outlook
- Performance and Position
- Sustainability
- Excellence in corporate reporting

We will continue to review our reporting approach to ensure it meet best practice reporting standards and the expectations of our stakeholders to provide visibility on how we create sustainable value for the community we serve. To ensure that readers are able to correctly understand these activities, we must take a systematic view of financial information linked directly to business activities and non-financial information, and provide explanations accordingly. Such reports help to increase investors' confidence in the corporate practices adopted by the organization. This report covers the period from July 01, 2025 to June 30, 2026.

Please find below the QR scan code for downloading the Annual Report

QR CODE

Download the Annual Report

MODARABA INFORMATION

Modaraba Company
OLP Services Pakistan (Pvt) Limited

Directors of Modaraba Company

Shaheen Amin	Chairman
Waqas Ahmad Khwaja	Managing Director / Chief Executive Officer
Ramon Alfrey	Director
Nosheen Iqbal	Director
Mian Faysal Riaz	Director
Yacoob Suttar	Independent Director
Ahmad Kamal	Independent Director

Company Secretary

Mr. Muhammad Siddique

Audit Committee

Yacoob Suttar	Chairman
Ramon Alfrey	Member
Mian Faysal Riaz	Member

Human Resource and Remuneration (HR&R) Committee

Ahmad Kamal	Chairman
Shaheen Amin	Member
Ramon Alfrey	Member
Waqas Ahmad Khwaja	Member

Risk Committee

Shaheen Amin	Chairman
Mian Faysal Riaz	Member
Ramon Alfrey	Member
Waqas Ahmad Khwaja	Member

Shariah Advisor

Mufti Faisal Ahmed

Auditors

A. F. Ferguson & Co., Chartered Accountants*

*Subject to the approval of Registrar Modaraba

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

INTRODUCTORY





OLP MODARABA
NOTICE OF DISTRIBUTION OF PROFIT, TRANSFER BOOK CLOSURE AND TWENTY SEVENTH ANNUAL REVIEW MEETING

At the meeting held on September 15, 2026, the Board of Directors of the OLP Services Pakistan (Private) Limited was pleased to announce a net profit for OLPM of PKR 160.705 million for the year ended June 30, 2026. The Board also approved a cash dividend @ 25 % (PKR 2.50 per certificate of PKR 10/ each) for the year ended June 30, 2026.

Twenty Seventh Annual Review Meeting (ARM) of certificate-holders of OLPM will be held on Wednesday, October 28, 2026 at 11:00 a.m. at (Iqbal Auditorium of National Institute of Banking and Finance, Pakistan), located at Maulvi Tamizuddin Khan Road (M.T. Khan Road) Karachi both in person as well as electronically through video link arrangement, to review the performance of the Modaraba for the year ended June 30, 2026.

Closure of Certificate Transfer Books

For the purpose of ascertaining entitlement of the aforementioned dividend and to attend Annual Review Meeting, the certificate transfer books will remain closed from Wednesday, October 21, 2026 to Wednesday, October 28, 2026 (both days inclusive). Transfers received in order at the office of our Registrar, FAMCO Share Registration Service (Pvt.) Ltd. 8-F, Next to Hotel Faran, Nursery, Block-6, P.E.C.H.S., Shahra-e-Faisal, Karachi, before the close of business hours on Tuesday, October 20, 2026 will be treated as in time for the purpose of entitlement to dividend and to attend Annual Review Meeting respectively.

Participation in Annual Review Meeting

Certificate holders who are interested to attend the ARM through online platform and whose names appeared in the book of the Modaraba by the close of business (5:00 PM) on October 20, 2026 are requested to get themselves registered by sending their particulars at the designated email address (secretariat@olpmodaraba.com), mentioning their names, CNIC number, Folio number, cell phone number and email address. The webinar link would be provided only to the registered certificate holders who have provided all the requested information at the above designated email address. Members will be registered, after necessary verification as per the above requirement and will be provided a video-link by the Modaraba via email. Only those members will be accepted at the ARM via video-conferencing whose names match the details shared with the Modaraba for registration.

Annual Report

In terms of Section 223 (6) and (7) of the Companies Act 2017 and pursuant to S.R.O. 389(I)/2023 dated March 21, 2023, the Annual Report of OLP Modaraba for the year ended June 30, 2026 have been uploaded on the Modaraba's website at below link:

Not with standing the above, the Modaraba will provide hard copies of the audited financial statements, to any Member on their request, at their registered address, free of cost, within one (1) week of receiving such request.

WEB LINK	QR CODE
https://www.olpmodaraba.com/wp-content/uploads/2026/10/OLP-Modaraba-Annual-Report-June-2026.pdf	

On Behalf of the Board

Muhammad Siddique

Company Secretary

October 06, 2026

Notes:

Electronic Transfer of Dividend

As per SECP directives, the dividend of Certificate holders whose CNIC/SNIC are not available with the Shares Registrar could be withheld. Certificate holders are therefore, requested to submit a copy of their valid CNIC (if not already provided) to the Modaraba's Shares Registrar, FAMCO Share Registration Service (Pvt.) Ltd. 8-F, Near Hotel Faran, Block-6, P.E.C.H.S., Shahra-e-Faisal, Karachi. In the absence of a member's valid CNIC/SNIC, the Modaraba will be constrained to withhold payment of dividend to such Members.

Please also note that in accordance with the provisions of Section 242 of the Companies Act, 2017, it is mandatory for a Modaraba to pay cash dividend to certificate holders only through electronic mode directly into

the bank account designated by the entitled certificate holders. In order to receive your dividend directly into your Bank account, please complete the particulars as mentioned in Electronic Credit Mandate Form and return the same duly signed along with a copy of your CNIC to our Registrar.

In case of non-communication of bank account details, the Modaraba would be constrained to act in accordance with the provisions of law, for withholding the amount of dividend which may be payable by the Modaraba. CDC certificate-holders are requested to submit their Dividend Mandate and CNIC directly to their broker (participant)/CDC.

You can find the Electronic Credit Mandate Form on Notices and Announcements Section at OLPM website www.olpmodaraba.com. Further, the same is also available on website of FAMCO Share Registration Services (Private) Limited https://famcosrs.com. You may contact us at askus@olpmodaraba.com for this purpose.

With Holding Tax on Dividend:

Tax Requirements: The dividend income on certificates is liable to deduction of withholding tax under Section 150 of the Income Tax Ordinance, 2001 and pursuant to the provisions of Finance Act, 2026, the 'Filer' and 'Non-Filer' certificate holders will pay tax on dividend income @ 15% and 30% respectively. The Filer status of certificate holders will only be determined on the basis of latest available Active Taxpayers List (ATL) uploaded by the Federal Board of Revenue (FBR) on their website http://www.fbr.gov.pk.

In case a Folio / CDS Account is jointly held, each joint-holder will be treated separately as Filer or Non-Filer and tax will be deducted on the gross dividend amount determined by bifurcating the certificate holding of each joint-holder on equal proportions, except where certificate holding proportion of joint-holders is pre-defined as per the records of Modaraba's Certificate Registrar and thus tax rates will be applied in line with respective proportions. Those certificate holders, who are holding certificates jointly, are requested to update/ notify the certificate holding proportions of Principal and Joint-holder(s) in writing to our certificate Registrar latest by October 20, 2026 at their above referred office address.

In this regard, all certificate holders, whose names are not entered into the ATL despite the fact that they are filers, are advised to make sure that: (i) their names appear into the ATL before start of closed period (referred above), otherwise they will be treated as non-filers for tax deduction purpose, and (ii) a copy of their National Tax Number is submitted to their relevant Participant / CDC Investor Account Services or to our Share Registrar (in case of physical certificate holding only) at their above referred office address.

Corporate certificate holders are requested to provide of a copy of valid Income Tax Exemption Certificate issued by the concerned authority to OLPM which is compulsorily required to claim tax exemption in terms of clarification issued by FBR vide their letter C.No.1 (43) DG (WHT)/ 2008-Vol.11-66417-R dated 12 May 2015. In case you are subject to any special tax rate, please also provide a copy of relevant certificate issued by the concerned authority. Relevant copies should reach our Share Registrar at their above-mentioned office address

Conversion of Physical Shares into the Book Entry Form

The SECP through its letter No. CSD/ED/Misc/2016- 639-640 dated March 26, 2021 has advised listed companies to adhere to provisions of Section 72 of the Companies Act, 2017 by replacing physical shares issued by them into book entry form.

Members having physical shareholding are encouraged to open CDC sub - account with any of the brokers or Investor Account directly with the CDC to convert their physical shares into scrip less form. This will facilitate them in many ways, including safe custody and sale of shares any time they want, as the trading of physical shares is not permitted as per existing regulations of the Pakistan Stock Exchange.

Unclaimed shares and dividends

The members who have not yet claimed their shares and cash dividends, which are either kept with the members themselves or returned as undelivered to the Share Registrar and Transfer Agent of the Company, are requested to make a claim for such unpaid/unclaimed dividends and/or shares with the Company.

Claims can be lodged by members on claim forms as are available on the Company's website. Claim forms must be submitted to the Company's Share Registrar, M/s. Famco Share Registration Service (Pvt) Limited. for receipt of dividend / shares.

فولیو / سی ڈی ایس اکاؤنٹ مشترکہ طور پر رکھنے کی صورت میں، ہر جوائنٹ ہولڈر کو فائلر / نان فائلر کے طور پر الگ الگ سمجھا جائے گا اور ہر جوائنٹ ہولڈر کے سرٹیفکیٹ ہولڈنگ کو مساوی تناسب پر تقسیم کر کے طے شدہ مجموعی منافع کی رقم پر ٹیکس کاٹا جائے گا، سوائے اس کے کہ جہاں مضاربہ کے سرٹیفکیٹ رجسٹرار کے ریکارڈ کے مطابق جوائنٹ ہولڈرز کا سرٹیفکیٹ ہولڈنگ کا تناسب پہلے سے طے شدہ ہو۔ اور اس طرح ٹیکس کی شرحیں متعلقہ تناسب کے مطابق لاگو ہوں گی۔ وہ سرٹیفکیٹ ہولڈرز، جن کے پاس مشترکہ طور پر سرٹیفکیٹ ہیں، ان سے درخواست کی جاتی ہے کہ وہ پرنسپل اور جوائنٹ ہولڈرز کے سرٹیفکیٹ ہولڈنگ تناسب کو منگل، 20 اکتوبر 2026 تک ہمارے سرٹیفکیٹ رجسٹرار کو تحریری طور پر اپنے اوپر دیئے گئے دفتری پتہ پر اپ ڈیٹ / مطلع کریں۔

اس سلسلے میں، تمام سرٹیفکیٹ ہولڈرز، جن کے نام ATL میں داخل نہیں کیے گئے ہیں باوجود اس کے کہ وہ فائلر ہیں، انہیں یہ یقینی بنانے کا مشورہ دیا جاتا ہے کہ: (۱) ان کے نام اختتامی مدت کے آغاز سے قبل ATL میں ظاہر ہوتے ہوں (اوپر حوالہ دیا گیا ہے)، بصورت دیگر ان کے ساتھ ٹیکس کٹوتی کے مقصد کے لیے نان فائلرز کے طور پر سمجھا جائے گا، اور (۲) ان کے نیشنل ٹیکس نمبر کی ایک کاپی ان کے متعلقہ شرکت کنندہ / سی ڈی سی سرمایہ کار اکاؤنٹ سروسز یا ہمارے شیئر رجسٹرار (صرف فزیکل سرٹیفکیٹ رکھنے کی صورت میں) کو ان کے مذکورہ دفتر کے پتہ پر جمع کرائی جائے۔

کارپوریٹ سرٹیفکیٹ ہولڈرز سے درخواست کی جاتی ہے کہ وہ متعلقہ اتھارٹی کی طرف سے جاری کردہ درست انکم ٹیکس استثنیٰ سرٹیفکیٹ کی ایک کاپی OLPM کو فراہم کریں جو کہ FBR کی جانب سے جاری کردہ لیٹر F.No. 4(36) WHT/2008-Vol.1.1-66417-R مورخہ 12 مئی 2015 کے تحت ٹیکس سے استثنیٰ کا دعویٰ کرنے کیلئے لازمی ہے۔ اگر آپ کسی خاص ٹیکس کی شرح کے تابع ہیں، تو براہ کرم متعلقہ اتھارٹی کی طرف سے جاری کردہ متعلقہ سرٹیفکیٹ کی ایک کاپی بھی فراہم کریں۔ متعلقہ کاپیاں ہمارے شیئر رجسٹرار کو ان کے مذکورہ دفتر کے پتے پر پہنچنی چاہئیں۔

فزیکل شیئرز کی بک انٹری فارم میں تبدیلی:

SECP نے اپنے لیٹر نمبر CSD/ED/Misc/2016-639-640 مورخہ 26 مارچ 2021 کے ذریعے لسٹڈ کمپنیوں کو ہدایت دی ہے کہ وہ کمپنیز ایکٹ 2017 کے سیکشن 72 کی شقوں کے مطابق اپنے جاری کردہ فزیکل شیئرز کو بک انٹری فارم میں تبدیل کریں۔

فزیکل شیئرز کے حامل ممبران کو ہدایت دی جاتی ہے کہ وہ کسی بھی بروکر کے ساتھ CDC سب اکاؤنٹ کھولیں یا براہ راست CDC کے ساتھ انویسٹر اکاؤنٹ کھولیں تاکہ اپنے فزیکل شیئرز کو سکرپ لیس فارم میں تبدیل کر سکیں۔ اس سے انہیں کئی فوائد حاصل ہوں گے، جن میں شیئرز کی محفوظ تحویل اور کسی بھی وقت شیئرز کی فروخت شامل ہے، کیونکہ پاکستان اسٹاک ایکسچینج کے موجودہ ضوابط کے مطابق فزیکل شیئرز کی تجارت کی اجازت نہیں ہے۔

غیر دعویٰ شدہ شیئرز اور ڈیویڈنڈز:

ایسے ممبران جنہوں نے ابھی تک اپنے شیئرز اور نقد ڈیویڈنڈز کا کلیم نہیں کیا، جو یا تو ممبران کے پاس محفوظ ہیں یا کمپنی کے شیئر رجسٹرار اور ٹرانسفر ایجنٹ کو ناقابل ترسیل ہونے کی صورت میں واپس بھیجے گئے ہیں، سے درخواست ہے کہ وہ اپنے غیر ادا شدہ غیر دعویٰ شدہ ڈیویڈنڈز اور / یا شیئرز کا مضاربہ سے کلیم کریں۔

ممبران مضاربہ کی ویب سائٹ پر دستیاب کلیم فارم کے ذریعے کلیم دائر کر سکتے ہیں۔ کلیم فارم کو مضاربہ کے شیئر رجسٹرار میسرز فاکو شیئر رجسٹریشن سروس (پرائیویٹ) لمیٹڈ کے پاس جمع کروایا جانا ضروری ہے تاکہ ڈیویڈنڈز / سرٹیفکیٹ وصول کیے جا سکیں۔

مندرجہ بالا کے باوجود، مضاربہ آڈٹ شدہ مالیاتی گوشواروں کی کاپیاں کسی بھی ممبر کی درخواست پر ان کے رجسٹرڈ پتے پر بلا معاوضہ ایک (1) ہفتے کے اندر فراہم کرے گا، بشرطیکہ ایسی درخواست موصول ہو۔

بتوسط بورڈ

محمد صدیق
کمپنی سیکریٹری
06 اکتوبر 2026ء

QR CODE	WEB LINK
	https://www.olpmodaraba.com/wp-content/uploads/2026/10/OLP-Modaraba-Annual-Report-June-2026.pdf

نوٹس:

ڈیویڈنڈ کی الیکٹرانک طور پر منتقلی:

ایس ای سی پی کی ہدایات کے مطابق، سرٹیفکیٹ ہولڈرز جن کے سی این آئی سی / ایس این آئی سی شیئرز رجسٹرار کے پاس دستیاب نہیں ہیں ان کا ڈیویڈنڈ روک لیا جائے گا۔ لہذا سرٹیفکیٹ ہولڈرز سے درخواست کی جاتی ہے کہ وہ مضاربہ کے شیئرز رجسٹرار فاموکو شیئرر جسٹریشن سروس (پرائیویٹ) لمیٹڈ کے دفتر F8-، ہوٹل فاران سے آگے، نرسری، بلاک 6، پی ای سی ایچ ایس، شاہراہ فیصل کراچی کے پاس اپنے فعال شناختی کارڈ کی فوٹو کاپی (اگر اس سے قبل فراہم نہ کی گئی ہو) جمع کرائیں۔ ممبران کی جانب سے فعال سی این آئی سی / ایس این آئی سی کی کاپی جمع نہ کرانے پر مضاربہ ایسے ممبران کی ڈیویڈنڈ کی ادائیگی روکنے پر مجبور ہو گا۔

براہ کرم یہ بھی نوٹ کریں کمپنیز ایکٹ 2017 کے سیکشن 242 کی دفعات کے تحت، مضاربہ کے لیے لازمی ہے کہ وہ سرٹیفکیٹ ہولڈرز کو نقد ڈیویڈنڈ صرف الیکٹرانک موڈ کے ذریعے براہ راست حقدار سرٹیفکیٹ ہولڈرز کے نامزد کردہ بینک اکاؤنٹ میں ادا کرے۔ اپنا منافع براہ راست اپنے بینک اکاؤنٹ میں وصول کرنے کے لیے، براہ کرم الیکٹرانک کریڈٹ مینڈیٹ فارم میں بیان کردہ تفصیلات کو مکمل کریں اور دستخط کر کے اپنے شناختی کارڈ کی ایک کاپی کے ساتھ ہمارے رجسٹرار کو واپس کریں۔

بینک اکاؤنٹ کی تفصیلات کی اطلاع نہ دینے کی صورت میں، مضاربہ کو قانون کی دفعات کے مطابق عمل کرنے پر مجبور کیا جائے گا، تاکہ مضاربہ کی جانب سے قابل ادائیگی ڈیویڈنڈ کی رقم کو روک دیا جائے۔ سی ڈی سی سرٹیفکیٹ ہولڈرز سے درخواست کی جاتی ہے کہ وہ اپنا ڈیویڈنڈ مینڈیٹ اور شناختی کارڈ براہ راست اپنے بروکر (شرکاء) / سی ڈی سی کو جمع کرائیں۔

آپ نوٹسز اور اعلانات کے سیکشن پر الیکٹرانک کریڈٹ مینڈیٹ فارم OLPM کی ویب سائٹ www.olpmodaraba.com پر حاصل کر سکتے ہیں۔ مزید یہ کہ یہ فاموکو شیئرر جسٹریشن سروس (پرائیویٹ) لمیٹڈ کی ویب سائٹ https://famcosrs.com پر بھی دستیاب ہے۔ اس مقصد کے لیے آپ ہم سے askus@olpmodaraba.com پر رابطہ کر سکتے ہیں۔

ڈیویڈنڈ پر ودھ ہولڈنگ ٹیکس:

ٹیکس کی ضروریات: سرٹیفکیٹس پر ڈیویڈنڈ کی آمدنی انکم ٹیکس آرڈیننس 2001 کے سیکشن 150 کے تحت ودھ ہولڈنگ ٹیکس کی کٹوتی کے لیے ذمہ دار ہے اور فنانس ایکٹ 2026 کی دفعات کے مطابق "فائلر" اور "نان فائلر" سرٹیفکیٹ ہولڈر ڈیویڈنڈ آمدنی پر بالترتیب 15% اور 30% ٹیکس ادا کریں گے۔ سرٹیفکیٹ ہولڈرز کے فائلر کی حیثیت کا تعین فیڈرل بورڈ آف ریونیو (FBR) کی جانب سے ان کی ویب سائٹ http://www.fbr.gov.pk پر اپ لوڈ کردہ تازہ ترین دستیاب ایکٹو ٹیکس پیئرز لسٹ (ATL) کی بنیاد پر کیا جائے گا۔

OLP مضاربہ نوٹس برائے منافع کی تقسیم، ٹرانسفر بک کی بندش اور سالانہ ستائیسویں میٹنگ کا جائزہ

OLP سروسز پاکستان (پرائیویٹ) لمیٹڈ کے بورڈ آف ڈائریکٹرز مورخہ 15 ستمبر 2026ء کو ہونے والی منعقدہ میٹنگ میں 30 جون 2026ء کو اختتام پذیر ہونے والے سال کیلئے OLPM کے خالص منافع 160.705 ملین روپے کا اعلان کرتے ہوئے خوشی محسوس کر رہے ہیں۔ بورڈ نے 30 جون 2026ء کو اختتام پذیر ہونے والے سال کیلئے 25% کے حساب سے (یعنی 10 روپے ہر ایک کے حساب سے فی سرٹیفکیٹ 2.50 روپے) کیش ڈیویڈنڈ کی بھی منظوری دی۔

30 جون 2026ء کو ختم ہونے والے سال کیلئے مضاربہ کی کارکردگی کا ویڈیو لنک کے انتظام کے ذریعے ذاتی طور پر اور الیکٹرانک طریقہ سے جائزہ لینے کیلئے OLPM کے حامل سرٹیفکیٹ کی ستائسویں سالانہ جائزہ میٹنگ (ARM) بروز بدھ 28 اکتوبر 2026 کو صبح 11:00 بجے (اقبال آڈیٹوریم آف نیشنل انسٹی ٹیوٹ آف بینکنگ اینڈ فنانس، پاکستان)، واقع مولوی تمیز الدین خان روڈ (ایم ٹی خان روڈ) کراچی میں منعقد کی جائے گی۔

سرٹیفکیٹ ٹرانسفر بکس کی بندش:

مذکورہ منافع کا حق دار ہونے کی تصدیق اور سالانہ جائزہ اجلاس میں شرکت کے لئے، سرٹیفکیٹ ٹرانسفر کی کتابیں بدھ، 21 اکتوبر 2026 سے بدھ، 28 اکتوبر 2026 (دونوں دن شامل) تک بند رہیں گی۔ جو ٹرانسفرز ہمارے رجسٹرار، فاملکو شیئر رجسٹریشن سروس (پرائیویٹ) لمیٹڈ، نزد ہوٹل فاران، نرسری، بلاک 6، پی ای سی ایچ ایس، شاہراہ فیصل، کراچی کے دفتر میں منگل 20 اکتوبر 2026 کو کاروباری اوقات کے اختتام سے قبل موصول ہو جانی چاہئیں، ان کو منافع کے حق دار ہونے اور سالانہ جائزہ اجلاس میں شرکت کے لئے بروقت تصور کیا جائے گا۔

سالانہ جائزہ اجلاس میں شرکت:

سرٹیفکیٹ ہولڈرز جو آن لائن پلیٹ فارم کے ذریعے سالانہ اجلاس میں شرکت کرنے میں دلچسپی رکھتے ہیں اور جن کے نام مضاربہ کی کتاب میں 20 اکتوبر 2026 کو کاروبار کے اختتام پر (5 بجے شام) شائع ہوئے ہیں ان سے درخواست کی جاتی ہے کہ وہ اپنی تفصیلات نام، شناختی کارڈ نمبر، فولیو نمبر، سیل فون نمبر، اور ای میل ایڈریس مقررہ ای میل ایڈریس (Secretariat@olpmodaraba.com) پر بھیج کر اپنا اندراج کروالیں۔ ویبنار کا لنک ان رجسٹرڈ سرٹیفکیٹ ہولڈرز کو فراہم کیا جائے گا جنہوں نے درخواست کردہ تمام معلومات فراہم کی ہیں۔ ممبران کو ضروری تصدیق کے بعد مذکورہ شرائط کے مطابق رجسٹر کیا جائے گا اور مضاربہ کی جانب سے انہیں ای میل کے ذریعے ویڈیو لنک فراہم کیا جائے گا۔ صرف وہی ممبران ویڈیو کانفرنسنگ کے ذریعے سالانہ اجلاس میں شرکت کر سکیں گے جن کے نام رجسٹریشن کے لیے مضاربہ کے ساتھ شیئر کی گئی تفصیلات سے مطابقت رکھتے ہوں۔

سالانہ رپورٹ:

کمپنیز ایکٹ 2017 کے سیکشن (7) & 223 (6) کے تحت اور S.R.O. 389(I)/2023 مورخہ 21 مارچ 2023ء کے تحت، 2026ء کو ختم ہونے والے سال کی سالانہ رپورٹ بھی مضاربہ کی ویب سائٹ پر درج ذیل لنک پر اپ لوڈ کر دی گئی ہے :

VISION

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

MISSION

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



CORE VALUES

INTEGRITY
We promote honesty and fairness
in all our actions.

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

TEAMWORK
We work together to create
synergies.

INNOVATION
We seek continuous improvement
and encourage creativity.

RESPECT
We respect each other's feelings
and opinions.

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



MAJOR EVENTS

2025
SEPTEMBER

- Annoucement of 25% cash dividend
- 14th Board Human Resource & Remuneration Committee meeting
- 6th Board Risk Committee Meeting
- 102nd Board Audit Committee Meeting
- 279 & 280th Board Meeting

2025
OCTOBER

- 26th Annual Review Meeting
- 7th Corporate Briefing Session
- 281st Board Meeting
- 103rd & 104th Board Audit Committee Meeting

2025
NOVEMBER

- Distribution of 25% cash dividen to certificate holders

2025
DECEMBER

- Voluntary Beach Cleaning Activity

2026
APRIL

- 284th & 285th Board Meeting107th Board Audit Committee Meeting

2026
MAY

- Extra Ordinary General MeetingElections of Directors

2026
JUNE

- 286th Board Meeting

2026

JANUARY

- 282nd Board Meeting105th Board Audit Committee Meeting

2026

FEBRUARY

- 283rd Board Meeting106th Board Audit Committee Meeting



THE BOARD





GET TO KNOW YOUR BOARD OF DIRECTORS

Mr. Shaheen Amin

Chairman



Mr. Shaheen Amin brings over four decades of experience in leasing, finance, investment management, and corporate leadership across Pakistan, the Middle East, and North Africa. He currently serves as Chief Executive Officer of OLP Financial Services Pakistan Limited, Managing Director of Yanal Finance Company, Kingdom of Saudi Arabia, and Advisor to ORIX Corporation, Japan.

Over his distinguished career, Mr. Amin has held several senior leadership positions within the ORIX Group, including founding CEO roles at Yanal Finance Company and Oman ORIX Leasing Company, and has served on the boards of several financial institutions across the GCC region. He holds an MBA from the University of Chicago, an Executive MS in Risk Management from New York University, and a Diploma in Accountancy from Metropolitan University, London.



Mr. Waqas Ahmad Khwaja

Managing Director/ CEO

Mr. Waqas Ahmad Khwaja brings over 28 years of diversified experience in Corporate Finance, Credit Risk Management, Business Development, and Marketing. During his career, he has held senior leadership positions with leading financial institutions, including OLP Financial Services Pakistan Limited, Trust Investment Bank Limited, and SAMBA Bank Limited.

Mr. Khwaja has extensive expertise in portfolio management, credit administration, relationship management, and strategic business planning. He holds an MBA in Finance from the Institute of Business Administration, University of the Punjab, and a Diploma in Business Management from the Lahore University of Management Sciences (LUMS). He has also attended several leadership, marketing, and management development programs in Pakistan and abroad.



Mr. Ramon Alfrey
Director

Mr. Ramon Alfrey joined the board of OLP Services Pakistan (Pvt) Limited (OSPL) in 2016. Since 1990, He has served the parent entity of OSPL i.e, the OLP Financial Services Pakistan Limited (OLPFS) in various senior capacities in Pakistan and UAE. His key appointments at OLP included Company Secretary, Chief Financial Officer, Deputy Chief Executive Officer and Group General Manager Planning and Strategy. Mr. Alfrey is a fellow member of the Institute of Chartered Accountants of Pakistan.



Ms. Nosheen Iqbal
Director

Ms. Nosheen Iqbal is a seasoned credit risk professional with over 20 years of experience in credit risk assessment, portfolio management, and regulatory compliance within Pakistan's banking and financial services sector. She has held key positions with OLP Financial Services Pakistan Limited, NIB Bank Limited and Emirates Global Islamic Bank Limited.

Ms. Iqbal holds an MBA in Finance and has completed a range of professional development programs, including Board Effectiveness Training at the Lahore University of Management Sciences (LUMS) and the Global Training Program at ORIX Corporation, Japan. Her expertise in credit risk management and corporate governance enables her to contribute valuable insight at the Board level.



Mr. Mian Faysal Riaz
Director

Mr. Mian Faysal Riaz was appointed as a member of the Board of Directors in 2016. He currently serves as Chief Operating Officer at OLP Financial Services Pakistan Limited (formerly ORIX Leasing Pakistan Limited), bringing with him more than thirty years of diverse experience across all frontline, revenue-generating business segments of the leasing industry, including Corporate, Commercial Vehicle Division, Auto Lease/Financing, Operating, and Micro Finance.

Mr. Riaz has served in various senior capacities at the organization, including postings as Zonal Head and Country Head Marketing. He has attended a range of seminars and professional development courses in Pakistan and abroad to enhance his leadership capabilities, including the High Impact Leadership Program and Building a Brighter Future, held under ORIX Corporation's Global Leaders Programme in Japan.



Mr. Yacoob Suttar
Independent Director

Mr. Yacoob Suttar is a Fellow Member of the Institute of Chartered Accountants of Pakistan (ICAP) and the Institute of Cost and Management Accountants of Pakistan (ICMAP), with over four decades of distinguished leadership experience in finance, corporate governance, energy, and strategic management.

During his career, he served as Deputy Managing Director Finance & CFO of Pakistan State Oil Company Limited (PSO) and Managing Director & CEO of Asia Petroleum Limited, and held senior leadership positions with Engro and other leading organizations. Mr. Suttar presently serves on the boards and audit committees of various listed companies as well as non-profit institutions, including the Indus Hospital and Karwan-e-Hayat. He is a former President of ICAP and has also served as a board member of the International Federation of Accountants (IFAC), bringing with him deep expertise in finance, governance, risk management, and corporate strategy.



Mr. Ahmad Kamal
Independent Director

Mr. Ahmad Kamal has over 41 years of leadership experience in investment banking, development finance, leasing, capital markets, and real estate development. He has held senior leadership positions, including Chief Executive Officer and Consultant, across a number of leading financial and corporate institutions.

Throughout his career, Mr. Kamal has led large-scale investment and development projects, driven strategic growth initiatives, and strengthened corporate governance frameworks. He holds an MBA and a Post Graduate Diploma in Systems Analysis & Design from the Institute of Business Administration (IBA), Karachi, and brings extensive expertise in investment management, financial services, and strategic planning.

GET TO KNOW YOUR MANAGEMENT



MR. MUHAMMAD SIDDIQUE — CFO & COMPANY SECRETARY

Muhammad Siddique joined OLP Modaraba (OLPM) on July 01, 2009 as CFO and Company Secretary. He also holds the positions of Head of Wealth Management in OLPM. Prior to this assignment, he was Head of Finance – Islamic Banking Division, Standard Chartered Bank Pakistan Limited (SCBPL). He was associated with Standard Chartered Group since 2004 before the successful transfer of Modaraba and Modaraba Management Company ownership from SCBPL to ORIX Leasing Pakistan Limited in June 2016. He is a fellow member of the Institute of Chartered Accountants of Pakistan (ICAP) and has over 20 years' experience in various financial institutions and audit firms. He is also a former member of the Executive Committee of Non-Banking Financial Institutions (NBFI) & Modaraba Association of Pakistan.



MR. MOHAMMAD ARIF DAYA — HEAD OF OPERATIONS

Mohammad Arif Daya has been associated with OLP Modaraba since 1991. Currently working as Head of Operations. Previously, he was the Head of Credit Risk Control in OLPM since July 2010. Prior to his role as Head Credit Risk Control, he also served as Manager Finance. He is post graduate from Govt. College of Commerce & Economics and has over 35 years' experience in various financial institutions and audit firms.



MR. SALWAT AHMAD — DIRECTOR - CLIENT RELATIONSHIPS

Salwat Ahmad joined OLP Modaraba (OLPM) for his second tenure in October 2017. He was with OLPM (formerly Standard Chartered Modaraba - SCM) from April 2008 till May 2013 as Head of Client Relationships – Central and North. Salwat moved from SCM to Standard Chartered Bank Pakistan Limited (SCBPL) and worked as Unit Head Central for SME Business for one year before moving to Aseel Finance & Abu Dhabi National Islamic Finance (ADNIF), FAB Group. During his four years' stay with FAB Group, he worked on various senior assignments in Credit Risk, Credit for UAE, Compliance and Islamic Syndicates. He has over 32 years of work experience in various Leasing/Finance Companies and Commercial Bank including SCBPL, OLP Financial Services Pakistan Limited, PILCORP, PICL, and OLPM. Salwat is an MBA from Arkansas State University, USA and M.Sc. Statistics from Punjab University, Lahore, Pakistan. He is also a charter holder from Association of Certified Anti Money Laundering Specialists (ACAMS).



MR. MUHAMMAD ASIM JAVED — DIRECTOR - RISK MANAGEMENT

Mr. Asim Javed is a seasoned Banking and Corporate Finance professional with over 29 years of extensive experience spanning Relationship Management, Corporate Banking, and Credit & Risk Management. He possesses strong expertise in managing strategic corporate relationships, structuring and negotiating financial transactions, and delivering tailored financing solutions aligned with clients' business objectives.

He has held senior positions with leading financial institutions and groups, including Standard Chartered Group and Faysal Bank / Aitemaar Group, gaining extensive experience across corporate banking, relationship management, financial structuring, risk management, and Islamic financing. His experience includes managing high-value corporate relationships across diverse business sectors and developing customized financial solutions to meet clients' business and financing requirements.

Currently serving as Director - Risk Management at OLP Modaraba, he oversees the organization's risk management framework, including Risk Appetite oversight and monitoring. As a member of the senior management structure, he serves on the Board's Risk Committee (BRC), Management Committee (MANCO), Asset & Liability Committee (ALCO), and Operational Risk Committee (CORC). Through these forums, he contributes his extensive banking & risk management experience to matters relating to Risk, Credit, Financial Management, Governance, Business Strategy, and senior-level decision-making.



MR. MUHAMMAD AZHAR WASEEM — HEAD OF COMPLIANCE & OPERATIONAL RISK

Muhammad Azhar Waseem is an Associate Member of the Institute of Cost and Management Accountants of Pakistan (ICMAP), bringing over 18 years of robust expertise in Audit, Accounts, Finance, and Credit Control & Administration across the banking, public, and private sectors.

As the Head of Compliance & Operational Risk, he oversees the Modaraba's regulatory frameworks, corporate governance, risk mitigation strategies and operational risk environments to ensure institutional integrity. Prior to stepping into his current role, Mr. Azhar served as the Head of Internal Audit within the organization, following a highly successful tenure as the Manager of Credit Risk Control and Operations. Throughout his career, he has successfully spearheaded strategic risk assessment initiatives and streamlined operational workflows, contributing significantly to institutional stability, compliance integrity, and sustainable growth.

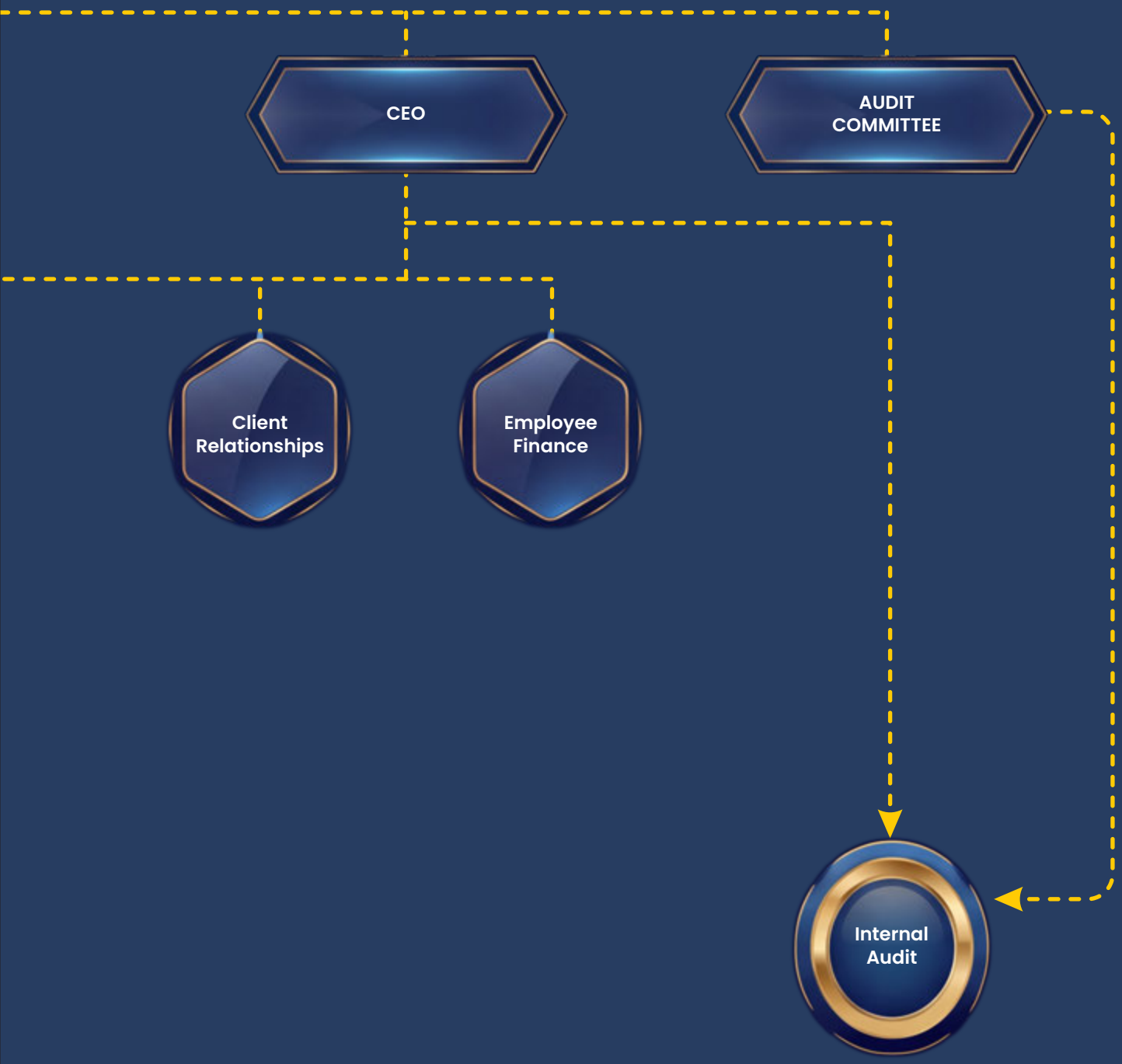


MS. TAYYABA MASOOM — HEAD OF INTERNAL AUDIT

Tayyaba Masoom Ali joined OLP Modaraba on March 16, 2026. She is an Associated member of institute of Chartered Accountants of Pakistan (ICAP) and Institute of Chartered Accountants of England and Wales (ICAEW). She has over 15 years of experience in in finance and audit roles. Her depth of experience derives from working with several reputable organizations including CDC, AKD Investment Management Limited, HAUS Middle East FZCO UAE, Hertz Pakistan and Deloitte. She has contributed materially in control assessment, compliance monitoring, SOP development & implementation and risk management.

OLPM ORGANOGRAM




CEO
AUDIT COMMITTEE
Client Relationships
Employee Finance
Internal Audit

ORGANIZATION OVERVIEW & EXTERNAL ENVIRONMENT





MODARABA AT A GLANCE

OLP Modaraba (OLPM) is widely recognized as a thought leader in Pakistan's Modaraba sector. With a clear strategic vision, OLPM aims to become the largest and most profitable Modaraba in the country by delivering innovative, Shariah-compliant financial solutions and maintaining operational excellence.

OLPM offers a diverse portfolio of Islamic financing products including Ijarah, Diminishing Musharaka (DM), House Finance under the DM structure, Sukuk, Murabaha, and Salam. These services are tailored to meet the needs of corporates, SMEs, high-net-worth individuals, and employees of selected corporate clients, delivered under a robust Assurance Model.

The funding for asset financing is sourced through a balanced mix of Certificate of Musharakah, bank financing, equity, and operational inflows. As of June 30, 2026, OLPM's total assets stood at PKR 8.457 billion, reflecting sustained growth and financial strength.

OLPM is managed by OLP Services Pakistan (Pvt) Limited, which holds 10% of the certificate capital, while OLP Financial Services Pakistan Limited owns an additional 10% stake. The remaining 80% is held by the general public, ensuring broad-based ownership. OLPM operates under the regulatory oversight of the Securities and Exchange Commission of Pakistan (SECP), with branch offices in Lahore and Islamabad, and its Head Office located in Karachi.

Disclosure of Beneficial Ownership

No natural person directly or indirectly holds more than 25% of OLPM's shares. Detailed information regarding certificate holders is provided in the Pattern of Shareholding section of this report. A comprehensive group shareholding flowchart and the relationship with subsidiary companies are available in the "Modaraba at a Glance" section at the beginning of the report.

Key Performance Indicators

FY 2026 Performance Highlights

- Gross revenue decreased by 21%, from PKR 1,890 million to PKR 1,491 million.
- Net provision/impairment of PKR 37.92 million due to proactive client downgrading.
- Profit before management company's remuneration decrease by 3.78%, reaching PKR 280.029 million.
- Profit before taxation decline by 4%, totaling PKR 242.87 million.
- Fresh disbursements amounted to PKR 3,114 million.
- Total assets decreased by 5%, from PKR 8,874 million to PKR 8,457 million.
- The portfolio of Ijarah and Diminishing Musharaka reached PKR 7,464 million, marking a 2.30% decrease from the previous year mainly due to reduction in Ijarah Finances.

PERFORMANCE MADE IN 2025:

- Gross revenue decreased by 10.49%, from PKR 2,111 million to PKR 1,890 million.
- Net provision/impairment of PKR 52.81 million due to proactive client downgrading.
- Profit before management company's remuneration rose by 10.65%, reaching PKR 291.03 million.
- Profit before taxation grew by 10.40%, totaling PKR 252.41 million.
- Fresh disbursements amounted to PKR 3,470 million.
- Total assets increased by 14.67%, from PKR 7,738 million to PKR 8,874 million.
- The portfolio of Ijarah and Diminishing Musharaka reached PKR 7,383 million, marking a 18.78% increase from the previous year.

FINANCIAL HIGHLIGHTS



Profit After Tax

2026
160.705
2025 174.077

Earnings

2026
3.54
2025 3.84

Cash Dividend

2026
113.46
2025 113.46

Total Assets

2026
8.457
2025 8.874

Total Disbursements

2026
3.114
2025 3.470

Break-up value Per Certificate

2026
30.28
2025 29.24

OUR HUMAN CAPITAL

As at June 30, 2026

TOTAL HEADCOUNT
55

25% FEMALE IN HEAD OFFICE

Locations	HEAD OFFICE	LAHORE	ISLAMABAD	TOTAL
Full Time	32	8	2	42
Contractual	10	2	1	13

OLPM PRODUCTS



OLP Modaraba - OLPM offers both Consumer and Wholesale Shariah compliant products. These include; Ijarah/ Leasing, Diminishing Musharakah, House Finance Diminishing Musharakah, Murabaha, Salam, Istisna and Certificates of Musharakah. OLPM also offers Syndicate Financing Facility to the clients that require large amount of financing.

01 Diminishing Musharakah (DM)

OLPM's Diminishing Musharakah (DM) is a Shariah-compliant financing solution that enables joint ownership of assets with profit-sharing on a pro-rata basis. Under this arrangement, OLPM and the client co-invest in an asset, with the client holding possession while gradually acquiring full ownership through scheduled payments.

As the client makes periodic payments, OLPM's share in the asset diminishes, ultimately transferring complete ownership to the client. During the tenure, the client pays rent for the use of OLPM's share, ensuring a transparent and ethical financial structure.

The asset remains under OLPM's charge until the financing is fully settled, offering both security and flexibility. With a commitment to Islamic finance and client-centric solutions, OLPM's DM product is ideal for individuals and businesses seeking structured Shariah-compliant financing for long-term asset ownership.



02 House Finance Diminishing Musharakah (HFDM)

OLPM's HFDM is a Shariah-compliant home financing solution based on the concept of Diminishing Musharakah, offering clients the opportunity to acquire, construct, or renovate residential property through a joint ownership model. Under this arrangement, OLPM and the client co-invest in the property, with the client holding possession and gradually acquiring full ownership through scheduled payments.

HFDM combines flexibility, transparency, and Shariah compliance, making it a reliable solution for clients seeking structured home financing aligned with Islamic principles.



03 IJARAH

In Islamic terms, Ijarah is a contract for leasing or hiring, involving the transfer of the usufruct (right to use) of an asset or the services of a person for an agreed-upon period and price.

OLPM Ijarah model is designed to meet the diverse needs of businesses and individuals, offering tailored solutions that align with their financial goals and timelines. With a strong foundation in Islamic finance and a commitment to excellence, OLPM continues to lead in delivering reliable and ethical financial leasing solutions.



04 MURABAHA FINANCE

OLPM's Murabaha Finance offers a Shariah-compliant alternative to conventional financing through a cost-plus sale arrangement. Under this structure, OLPM purchases the asset or commodity desired by the client and sells it to them at a pre-agreed profit margin, ensuring full transparency and ethical compliance.

The Murabaha transaction unfolds in two stages: Asset Procurement: OLPM acquires the commodity or asset on behalf of the client. Deferred Sale: The client repurchases the asset from OLPM at a fixed price, payable through a mutually agreed instalment plan.

This financing model is ideal for clients seeking predictable costs, clear terms, and Shariah-based financial solutions for acquiring business assets.



05 Salam

OLPM offers Salam (Bai-Al Salam) financing—a Shariah-compliant contract of sale where the price is paid in advance, and the delivery of goods is deferred to a future date. This structure enables clients to secure essential commodities while managing their working capital needs efficiently.

Under this arrangement: The buyer (client) pays the full purchase price upfront. The seller (OLPM) commits to delivering the specified goods at a future date. Ideal for managing both core and overhead business expenses.

Salam Financing is particularly beneficial for businesses seeking predictable cash flow, secure procurement, and Shariah-compliant financial planning. OLPM's expertise ensures smooth execution and alignment with Islamic principles.



06 Istisna

OLPM's Istisna Financing is a forward-looking, Shariah-compliant solution designed for clients seeking to acquire assets that require manufacturing or construction. Derived from the Arabic root Sa-na'a, meaning "to manufacture," Istisna is a contract of sale where OLPM, acting as the seller, undertakes to deliver a specified asset upon completion, as per the agreed schedule.

Istisna is particularly suited for businesses planning capital expenditures on assets that require fabrication or construction, offering a structured, Shariah-compliant pathway to growth.



07 Syndicate Financing

OLPM offers Syndicate Financing arrangements tailored for Large Corporates, Local Enterprises, MEs and SMEs seeking substantial financial facilities through a single, streamlined contact point. This model brings together a group of financial institutions—referred to as a syndicate—to jointly provide funding for a single client, ensuring both scale and efficiency.

Syndicated Ijarah Facility – including direct leasing and sale & lease-back models

With deep market insight and strong institutional relationships, OLPM delivers Shariah-compliant syndicate solutions that support business growth and long-term asset acquisition.



08 Certificate Of Musharakah

A Trusted Shariah-Compliant Investment Avenue

OLPM's Certificate of Musharakah is a profit-and-loss sharing investment instrument designed to offer investors a secure and rewarding income opportunity. Backed by OLPM's AA rating from the Pakistan Credit Rating Agency Limited (PACRA), this product reflects a low credit risk and a strong capacity for timely financial commitments, ensuring peace of mind for investors.

Launched in 2000, the scheme is fully Shariah-compliant, developed under the guidance of the SECP Religious Board formed under the Modaraba Ordinance. It is tailored to meet the needs of a diverse investor base including Individuals, Corporates, Provident Funds, Gratuity Funds, Mutual Funds, and High Net Worth Individuals.

OLPM has crafted this product with a deep commitment to Islamic principles and client convenience, making it one of the most reliable and ethical investment options in the market.



CODE OF CONDUCT



Do the right thing

Our values are integral to the way we work every day. The Code is important because it outlines how we can make sure that the decisions we make are the right ones.

Act responsibly and within authority

Be disciplined, responsible and take accountability for the risks we take and make sure they are appropriate to his/her business or policy. We must keep to our limits and policies and not make decisions that are beyond delegated authority.

Use good judgment

Recognise when there are situations without simple solutions. Use the Code's decision making framework to help make decisions well, appropriately and with care.

Speaking Up

We have a responsibility to Speak Up when we see behaviour, a process or system we are not comfortable with at work. This helps to maintain a culture of strong ethics, integrity and transparency.

Comply with laws, regulations and standards

We are individually responsible for complying with the spirit, not just the letter, of laws, regulations and our standards.

Combat financial crime

It is critically important to protect the worldwide financial system. We must comply with laws, regulations and standards on anti-money laundering (including those on tax evasion), preventing financing for terrorism, fraud or sanctions.

Reject bribery and corruption

Bribery is illegal, dishonest and damages the communities where it takes place. We must not give or accept bribes nor take part in any form of corruption.

Treat clients fairly

A focus on building long-term relationships helps to increase our business by improving our reputation. This includes having well-designed products and services, which:

- are clearly sold based on suitable advice
- perform as expected
- give clients choice

Manage conflicts of interest

We are responsible for identifying, assessing and managing conflicts of interest (whether actual or issues which could be viewed as conflicts) that arise in our daily working life.

Do not engage in or support insider dealing

The misuse of inside information undermines the financial system and unfairly disadvantages others in the market.

Protect confidential information

Building trust is a basic part of all our relationships with clients. We must not release confidential information unless authorised to do so.

Compete fairly in the market place

We must understand and comply with the laws which affect how you compete in their markets both locally and abroad.

Treat colleagues fairly and with respect

All staff is entitled to a safe working environment that is inclusive and free from discrimination, bullying and harassment. Treating our colleagues as partners helps our people to deliver on the brand promise, resulting in a positive effect on our business results.

Be open and co-operate with regulators

Deal with regulators in a responsible, open and co-operative way and give regulators information they would reasonably expect to be told about.

Respect our communities and the environment

Contribute to economic stability in our markets, we all have a responsibility to reduce our effect on the environment and give back to our communities.

PESTEL ANALYSIS

	P POLITICAL **Government policy's intervention in the economy, other related factors and actions that can affect a business**	E ECONOMIC **Various aspects of the economy, and how the outlook on each area could impact your business.**	S SOCIAL **Cultural and demographic trends of society. Social norms and pressures are key to determining consumer behaviour.**
FACTORS	■ Political uncertainty and evolving government policies impacting business confidence. ■ Changes in fiscal and regulatory frameworks affecting long-term strategic planning. ■ Global economic and trade disruptions influencing domestic markets. ■ Currency depreciation and geopolitical developments impacting business operations. ■ Labour regulations affecting workforce management and operational flexibility. ■ Trade restrictions and regulatory changes influencing business continuity.	■ Challenging macroeconomic conditions and financial market volatility. ■ Rising inflation and increasing operating and labour costs. ■ Slower economic growth affecting business activity and customer demand. ■ Volatile exchange rates and changing interest rate environment creating financial uncertainty. ■ Liquidity constraints and elevated credit risks across the market.	■ Increasing expectations regarding corporate social responsibility and sustainable business practices. ■ Community support through charitable initiatives and philanthropic contributions. ■ Promotion of education, employee wellbeing, and workplace safety. ■ Addressing social challenges arising from public health emergencies and natural disasters. ■ Maintaining stakeholder trust through ethical business practices and responsible corporate conduct.
RESPONSE	■ Maintains proactive engagement with regulators and relevant authorities to ensure timely compliance with evolving legal and regulatory requirements. ■ Governance frameworks, policies, and internal controls are regularly reviewed and strengthened to align with changing regulatory expectations. ■ Environmental and Social Risk Assessments (ESRA) are embedded within the credit evaluation and product development processes to promote responsible financing. ■ Political, regulatory, and geopolitical developments are continuously monitored, with appropriate risk mitigation measures incorporated into strategic and operational planning.	■ Continuously monitors economic indicators and adjusts its business strategy to maintain operational resilience and sustainable growth. ■ Robust credit risk management practices, including proactive delinquency monitoring and customer engagement, help preserve asset quality. ■ Cost optimization initiatives are regularly undertaken to improve operational efficiency while maintaining service standards. ■ Profit rates and pricing strategies are periodically reviewed to remain aligned with prevailing market conditions and funding costs.	■ Dedicated committees oversee Corporate Social Responsibility (CSR), employee welfare, occupational health and safety, and resource management initiatives. ■ Continues to support reputable charitable institutions, including LRBT, SIUT, PSEF, and other community welfare organizations. ■ Health, safety, and business continuity measures are maintained to safeguard employees, customers, and other stakeholders during emergencies. ■ Regular staff training promotes ethical conduct, responsible use of technology, data confidentiality, and protection of the Modaraba's reputation. ■ Remains committed to fostering an inclusive workplace while contributing positively to sustainable community development. ■

T

TECHNOLOGICAL

Innovation in the industry and the overall economy. Not being up to date to the latest trends of a particular industry can have adverse impact on the business

- Increasing importance of cybersecurity and data protection.
- Rapid technological advancements requiring continuous innovation.
- Growing customer expectations for digital services and operational efficiency.
- Industry-wide adoption of automation and digital transformation.
- Need to strengthen technology governance and resilience.

- Maintains a structured incident reporting framework to promptly identify and address actual or suspected information security incidents.
- Robust IT controls, including restricted software installation and monitored system access, help safeguard information assets against cyber threats.
- A dedicated information security function oversees cybersecurity governance, risk management, and data protection initiatives.
- Continues to invest in technology enhancements that improve operational efficiency, customer experience, and information security.

E

ENVIRONMENTAL

Ecological impacts on business. Importance of Corporate Sustainability Responsibility (CSR) initiatives.

- Increasing regulatory focus on environmental sustainability and climate-related risks.
- Climate change impacting business operations and customers.
- Greater emphasis on reducing carbon emissions and resource consumption.
- Compliance with environmental protection, recycling, and waste management standards.

- Committed to minimizing its environmental footprint through responsible resource utilization and sustainability initiatives.
- Environmental and Social Risk Assessments (ESRAT) are integrated into financing decisions to promote environmentally responsible business practices.
- Continues to expand paperless processes and digital operations, significantly reducing paper consumption and improving operational sustainability.
- Environmental considerations are incorporated into business decision-making to support long-term sustainable growth.

L

LEGAL

Legal forces define what a business can or cannot do.

- Compliance with taxation laws and regulatory requirements.
- Adherence to anti-bribery, anti-corruption, and anti-money laundering regulations.
- Compliance with employment, labour, and anti-discrimination laws.
- Protection of customer data and compliance with privacy legislation.
- Compliance with Shariah governance and other applicable legal frameworks.

- Incorporates legal and regulatory considerations into strategic decisions, including product development and business sector selection.
- Strict policies governing anti-bribery, anti-corruption, client confidentiality, and ethical conduct are implemented across the organization.
- Employees receive periodic training on Anti-Bribery and Corruption (ABC), compliance, and information confidentiality requirements.
- Access to confidential information is controlled on a strict need-to-know basis.
- Comprehensive governance processes ensure compliance with all applicable laws, regulatory requirements, and Shariah governance standards, reinforcing the highest standards of corporate governance.
-
-

SWOT ANALYSIS

S STRENGTHS

- Strong reputation and extensive experience in Pakistan's Islamic financial services sector.
- High creditworthiness supported by sound governance and prudent risk management.
- Well-established operational presence across major cities in Pakistan.
- Diversified portfolio of Islamic financing products catering to corporate and SME clients.
- Experienced management team with expertise in Shariah-compliant financial solutions.

W WEAKNESS

- Operates in a highly regulated environment with strict compliance requirements.
- Limited resource mobilization options compared to conventional commercial banks due to the inability to accept public deposits.
- Dependence on economic conditions and corporate demand for financing.
- Higher operating costs associated with regulatory compliance and Shariah governance.
- Limited digital financial service offerings compared to leading commercial banks and fintech companies.

O OPPORTUNITIES

- Lower policy rates are expected to stimulate business investment and increase demand for Islamic financing.
- Growing awareness and acceptance of Islamic banking and finance among individuals and businesses.
- Expansion opportunities in SME, agriculture, renewable energy, and Islamic leasing markets.
- Increasing government support for financial inclusion and Islamic finance initiatives.
- Digital transformation and fintech partnerships can improve customer reach and operational efficiency.

T THREATS

- Political uncertainty and changing economic policies may reduce investor confidence.
- Inflation, exchange rate volatility, and rising business costs can affect clients' repayment capacity.
- Increasing taxation and regulatory requirements may reduce profitability.
- Intense competition from Islamic banks, conventional banks, and emerging fintech companies.
- Potential rise in non-performing financings (NPFs) during periods of economic slowdown.

The legislative and regulatory environment in which the organization operates

Currently Modarabas operating in Pakistan are governed under several laws and regulations such as Modaraba Ordinance, Modaraba Rules and Modaraba Regulations 2021 etc. OLP Modaraba is operating under the supervision of Securities & Exchange Commission of Pakistan, as Non-Bank Islamic Financial Institution and contribute as a key player in bringing awareness of Islamic financial system in the Country. For Modaraba structure refer Business Model on page no. 15 of the report.

The legitimate needs, interests of key stakeholders and industry trends

OLP Modaraba takes specific measures to understand the needs and interests of all its stakeholders, this involves understanding the needs of the communities through client visits and interactions. The Modaraba disseminates its periodic financial statements together with directors' review report on performance and future outlook. It also holds investors' briefing sessions on a annual basis besides Annual Review Meeting in which address all the queries of the analysts and certificate holders. The Modaraba designs its CSR activities to have maximum impact on the communities particularly to Health, education and environmental protection.

Competitive landscape and market positioning

The Modaraba holds remarkable credit rating by PACRA i.e. AA in long term and A1+ in short term distinct position. Apart from credit rating the Modaraba has achieve numerous accolades from various prestigious national and international bodies. The Modaraba has its presence in major cities of Pakistan with registered head office in Karachi and branches in Islamabad and Lahore. This local presence of OLPM is providing Islamic Financial Services to prospective corporate and consumer clients.

OLPM continues to navigate Pakistan's evolving political landscape by strengthening regulatory engagement, diversifying its client base, and prudently managing risk exposure.

The political environment in Pakistan remains a critical factor influencing strategic execution for financial institutions. While the country has historically faced frequent shifts in leadership and policy discontinuity, the current government has signalled a renewed focus on economic stabilization, export growth, and investment attraction. However, challenges persist, including security concerns, digital restrictions, and the need for long-term governance reforms.

In response to these dynamics, OLPM has reinforced its commitment to regulatory alignment and operational resilience. The organization maintains close interaction with regulators to ensure compliance and adaptability in a fluid policy environment. Additionally, OLPM's business strategy emphasizes deepening relationships with Medium and Small sized Enterprises, High Net Worth Individuals (HNIs), and employees of selected corporate clients. Rather than pursuing mass-market scale, OLPM emphasizes quality relationships and tailored financial solutions that align with the unique needs of its niche clientele. This focused strategy enables OLPM to maintain high service standards, manage risk effectively, and deliver Shariah-compliant products with precision and reliability.

To further safeguard stakeholder interests, OLPM continues to monitor and manage risk exposure rigorously-both at the time of facility approval and through regular reviews of client repayment capacity. This proactive approach enables OLPM to maintain a balanced and diversified asset portfolio, resilient to external shocks.

As Pakistan moves forward with its IMF-backed economic roadmap and broader reform agenda, OLPM remains focused on aligning its strategic priorities with the evolving political and economic landscape, ensuring long-term sustainability and stakeholder confidence.

Details of significant events occurred during the year and after the reporting period

The significant events which occurred during the year ended June 30, 2026 are reported in the 'Calendar of major events' and 'Landmarks' sections of this report.

Position in the Value Chain

OLPM operates as a non-banking financial intermediary within the Islamic finance ecosystem, facilitating Shariah-compliant funding solutions for its clients. Positioned between capital providers (upstream) and end-users of financing (downstream), OLPM plays a critical role in channeling funds from investors and financial institutions into productive use by Medium and Small Enterprises, High Net Worth Individuals (HNIs), and employees of corporate clients.

Upstream Connections: OLPM engages with banks, mutual funds, provident and gratuity funds, and individual investors through instruments like Certificates of Musharakah, enabling capital mobilization in a Shariah-compliant manner.

Downstream Connections: The organization supports asset acquisition, business expansion, and working capital needs of clients through products such as Ijarah, Diminishing Musharakah, Murabaha, Istisna, Salam, and House Finance DM, thereby contributing to economic activity and financial inclusion.

OLPM's strategic relationships with regulators, rating agencies, and corporate partners further reinforce its role as a trusted conduit for Islamic financial services, ensuring compliance, transparency, and value creation across the financial value chain.

A general review of the performance of the company, including its subsidiaries, associates, divisions etc., for the year and major improvements from last year.

A detailed review of Modaraba's performance with comparison from last year is provided on page 44.

STRATEGY AND RESOURCE ALLOCATION




PRIORITIZE
ALLOCATE
EXECUTE
MEASURE
PEOPLE
BUDGET
TECHNOLOGY
OPERATIONS
CAPACITY

Short, medium and long-term strategic objectives and strategies in place to achieve these objectives:

Our strategy is geared towards generating growth over the next few years. We will continue with our strength in Corporates, high end SMEs, and HNW individuals. We will also expand into midtier SME and employees of selected Corporate Clients under Assurance Model. The cornerstones of our strategy are:

1) Expanding our Diminishing Musharika portfolio
2) New business with High-Net-Worth customers and target employees of selected blue-chip entities
3) Synergy within OLP group with two-way referrals, syndication, use of common resources and profiling including utilize existing OLPL branch network for mobilization of Islamic funds and new products; and
4) Advisory transactions where risk reward parameters are met.

Resource allocation plans to implement the strategy

Every element of our business model is unique to our Modaraba and has a role to play in our future long-term success

a) Financial Capital:

All the financial resources of the OLPM are utilized effectively and efficiently under Shariah guidelines and policies and procedures framed by the Board of Directors. These resources are greatly support for smooth business operations of the entity.

b) Human Capital

Our people bring talent and strong capabilities relevant to all aspects of our business, from community and customer relations to the innovative thinking necessary to drive value growth and efficiency.

c) Intellectual Capital

Through capacity building, develop intellectual capital for best corporate culture, good governance and to follow best business Practices.

d) Social and Relationship Capital

Our social 'license to operate' is due to our reputation and the trust of key stakeholders. Our most valuable stakeholder relationships are with our investors, our community, employees, Clients as well as government and regulators.

Critical Performance Indicators

Critical performance indicators that are in place to appraise OLPM performance include:

Strategic Direction: To ensure that the management is involved in setting and devising key strategies that provide the Modaraba with correct futuristic direction, and all of the management proposals, challenges, assumptions and alternatives are duly considered prior to deciding such strategy.

Management's Financial Performance: To ensure that the management's performance in terms of revenue, profitability and cost control and its progress towards achieving its set targets is periodically monitored by the Board members of Modaraba Management Company.

Internal Controls: To oversee and ensure that appropriately designed internal control framework is in place and is routinely tested to address top risks.

Compliance: To ensure that there is an active compliance function at the Modaraba, and to monitor its compliance with external laws & regulations (including anti money laundering requirements) and internal policies, and to monitoring of controls through Control Sample Testing (CST)

Understanding of Corporate Governance and Code of Conduct: To ensure that the management fully understand the Code of Corporate Governance and Ethics.

Committee Composition: To ensure that each of the Board and management Committees are appropriately structured to effectively achieve its underlying goals and objectives, and its key functions are also clear and well defined.

The capabilities and resources of the company to provide sustainable competitive advantage: OLPM has a multitude of strengths that has contributed to our success in the past and will also set us apart from our competitors in future. These include:

- Strong evaluation of client's credit profile including repayment ability.
- Post disbursement monitoring of risk exposure.
- Experienced management team.
- Efficient IT systems that support core competencies and improves overall efficiency and responsiveness to market development.
- Continuous re-engineering of policies, procedures, SOPs, SLAs and TATs, ensuring operational efficiencies through effective management of key resources without any compromise on control environment.
- Strong customer loyalty, supported by the OLP premium brand.
- Differentiated product suite including the Pioneer Modaraba offering Shariah compliant house finance facility to Individual.

Board's statement on the significant plans and decisions such as corporate restructuring, business expansion, major capital expenditure or discontinuance of operations

OLPM is on its way to achieve the overall objectives set by its Board of Directors. There are no significant changes in objectives & strategies of OLPM as

compared to last year. Furthermore, there are no significant plans and decisions including corporate restructuring, business expansion and discontinuance of operations, etc., in the light of OLPM's existing objectives & strategies.

Information about defaults in payment of any debts with reasons

Over the period of 39 Years, OLP Modaraba has always settled its obligation timely. This is mainly because, OLPM manages its liquidity position and funding profile through Asset Liability Committee (ALCO) The Committee meets on a monthly basis and is represented by CFO, Business Heads and chaired by CEO. It reviews monthly and quarterly cash flow projections. This approach to manage liquidity helps to ensure that the Modaraba will always have adequate liquidity to meet its commitments under normal and stressed conditions.

Board Strategy for Liquidity and Financial Stability

In line with the Board of Directors' guidance, OLPM is actively managing its current ratio by securing additional long-term funding lines and strategically addressing any risk associated with deposit concentration. Over the years, OLPM's management has successfully negotiated and established multiple long-term financing arrangements with leading financial institutions, significantly strengthening the Modaraba's funding base and enhancing its ability to meet operational and debt-related obligations.

ALCO regularly reviews cash flow projections, upcoming disbursements, maturing portfolios, bank financing obligations, and the status of new credit facilities. It also monitors key indicators such as Maximum Cumulative Outflows (MCO) and Medium Term Funding Ratio (MTFR) to ensure alignment with the Board-approved Annual Financial Plan.

These measures collectively support OLPM's strategy to maintain a well-funded balance sheet, mitigate liquidity risks, and ensure financial sustainability in line with its long-term strategic objectives.

Liquidity Strategy

OLPM-ALCO holds the ownership of Liquidity Contingency Plan which ensures that all financial liabilities that are falling due are either re-invested or re-financed with other feasible sources.

The main source of fund to OLPM for extending Islamic financings is issuance of Certificate of Musharaka (COMs) Since COMs are the most economical source of funds available to Modaraba, OLPM focused on COMs to manage its financial cost efficiently.

OLPM effectively markets the COMs in a way that maturing COMs are replenished with new issue of COMs.

Considering frequent changes in discount rate, COM clients these days are being encouraged to invest for a period over 1 year due to high profit rate being offered. Although there is substantial contractual maturity mismatch, however there is nominal behaviour maturity mismatch as most of the CoMs were re-invested after maturity.

On the asset side, OLPM portfolio includes Ijarah and Diminishing Musharaka products with maturity period of minimum three (03) years.

OLPM avails long term finance facilities from Islamic banks and Islamic windows of conventional banks to reduce contractual maturity mismatch and holds substantial unutilized financing facilities from Islamic Banks with the help of which OLPM manages the remaining mismatch.

The capabilities and resources of the modaraba that provide sustainable competitive advantage, resulting in value creation by the modaraba.

OLP Modaraba being the Pakistan's Premier Islamic financial institution has a strong legacy of over 38 years for offering Islamic financial solutions to corporate, high and mid-tier SME's and consumer market. The modaraba has its presence in major cities of Pakistan like Karachi, Islamabad and Lahore. Also, the modaraba has successfully maintained its rating of AA (long term) and A1+ (short term) from past many years. Local presence and stable rating helps modaraba in attaining competitive advantage in providing Islamic financial Services to prospective corporate and consumer clients.

Effects of the given factors on the modaraba strategy and resource allocation:

a) Technological Changes;

Though on-going changes and revolutionizing new technological advancements pose a continuing challenge to all business segments requiring each business to review and upgrade its business capabilities. We at OLPM take pride in being the clear thought leader within the sector hence also keeping a vigilant eye on places and situations where there is need of adopting new technologies.

Currently OLPM is evaluating a new hi-tech TP system to bring its IT platforms to the required levels.

b) Sustainability reporting and challenges;

OLPM has always been advocating the need for enhance sustainability and ESG related initiatives. Since decades, we have only been doing business with clients that come up to the required high standards of OLPMs ESRAT checklist. Furthermore recently, OLPM has formed a committee to solely take care the ESG and sustainability initiatives.

c) Resource shortages

OLPM has always believed in investing in resource-saving technology and training its employees to bridge the skill gap for efficient and productive working styles.

RISK & OPPORTUNITIES




UNCERTAINTY
MARKET VOLATILITY
REGULATORY CHANGES
OPERATIONAL RISKS
GROWTH
INNOVATION
NEW MARKETS
STRATEGIC PARTNERSHIPS

RISK AND UNCERTAINTY

Key Risks and Opportunities Affecting Capital Availability, Quality, and Affordability

OLP Modaraba (OLPM) continuously identifies, evaluates, and manages key internal and external risks and opportunities that may influence the availability, quality, and cost of capital. A significant risk remains the potential shortage of funds, which could adversely impact disbursement capacity, business growth, operational continuity, and market position. To address this risk, OLPM adopts a strategic approach to funding by ensuring that all sources of capital are competitively priced, enabling the Modaraba to maintain healthy spreads while delivering sustainable value to its Certificate holders.

OLPM's capital structure is strengthened through a combination of long-term bank financing, a growing base of Certificates of Musharaka (COM) depositors, and its equity position. These funding sources provide access to stable, high-quality, and cost-efficient capital, supporting business expansion and ensuring operational resilience.

Board Oversight and Risk Appetite

OLP Modaraba operates under a comprehensive Risk Management Framework approved by the Board of Directors. The framework defines the organization's risk appetite, assessment methodologies, monitoring processes, and reporting mechanisms. It ensures that business activities are conducted within established risk boundaries and remain aligned with OLPM's long-term strategic goals.

The Board Risk Committee (BRC), Management Committee (MANCO), and Country Operational Risk Committee (CORC) provide a structured governance framework for identifying, assessing, monitoring, and mitigating key risks. This multi-layered oversight approach supports informed decision-making and promotes business continuity.

Principal Risks and Mitigation Strategies

OLPM has undertaken a detailed assessment of key risks that may affect its business model, financial performance, liquidity position, and long-term sustainability. The major risks and corresponding mitigation measures are outlined below:

1. Funding Risk

- Monthly Asset and Liability Committee (ALCO) meetings are conducted to assess liquidity requirements, funding gaps, and future capital needs.
- OLPM remains focused on securing stable and affordable long-term funding to support timely disbursements and maintain uninterrupted business operations.

2. Credit and Default Risk

- As a financial institution engaged in lending activities, credit risk remains a key area of focus.
- Dedicated Early Alert and SAM Committees conduct monthly reviews of overdue accounts and develop appropriate resolution strategies.
- Regular overdue monitoring meetings are held across regions, typically one to two times a week, to track clients with delayed payments, including early-stage delinquencies.
- Senior members of the risk and business teams actively engage with clients and implement customized recovery plans, contributing to strong recovery performance and maintaining low levels of non-performing loans (NPLs).

3. Human Capital Risk

- OLPM continuously strengthens its workforce by attracting experienced professionals and investing in employee development and capacity building.
- A strong organizational culture, coupled with low employee turnover, reflects OLPM's commitment to talent retention and effective management of human capital risks.

4. Regulatory and Policy Risk

- Changes in government policies and regulatory requirements remain an ongoing challenge for the financial sector. OLPM proactively monitors developments in the fiscal and regulatory environment through senior management forums, including MANCO and the Principals Committee.
- This proactive approach enables timely responses, strategic adjustments, and effective management of potential regulatory impacts.

Risk Management Framework

OLPM's Risk Management Framework encompasses all major risk categories, including:

- Regulatory Risk
- Credit Risk
- Operational Risk
- Liquidity Risk
- Human Capital Risk
- Technology and Cybersecurity Risk

The framework ensures that strategic decisions are supported by comprehensive risk assessments, enabling OLPM to remain resilient, adaptable, and prepared to respond effectively to evolving market conditions.

Strategic Utilization of Risk Insights

OLPM actively identifies opportunities arising from changes in the risk environment to enhance profitability and create long-term value. For instance, following regulatory restrictions on bank financing for imported vehicles exceeding PKR 2.5 million, OLPM leveraged the opportunity to expand its auto financing portfolio, achieving improved margins and strengthening its market position.

Supply Chain Risk Related to ESG Factors

To date, OLPM has not experienced any material supply chain disruptions arising from Environmental, Social, or Governance (ESG)-related events. This reflects the effectiveness of its risk governance framework and continuous monitoring by senior management committees. Nevertheless, OLPM remains vigilant and maintains proactive strategies to identify, assess, and mitigate potential ESG-related supply chain risks in the future.

GOVERNANCE




POLICY
COMPLIANCE
ETHICS

CHAIRMAN'S REVIEW REPORT

It gives me immense pleasure to present this review report on the overall performance of OLP Modaraba (OLPM) and the effectiveness of the Board in attaining its business objectives for the year 2025-26. As the Chairman of the Board, my basic endeavor will be to ensure adherence to the corporate governance regulatory framework and to lead the Board of Directors in effectively managing the Modaraba's strategic direction, whilst safeguarding the interests of its stakeholders.

Year 2025-2026 for OLP Modaraba (OLPM):

During the year ended June 30, 2026, OLP Modaraba continued to focus on strengthening its core financing portfolio and maintaining sustainable operations in a challenging business environment. The Modaraba's total assets stood at PKR 8,457 million as at June 30, 2026, compared to PKR 8,874 million in the previous year, showing a decrease of 4.70%. The Diminishing Musharaka portfolio continued to grow, increasing by 3.83% from PKR 6,869.50 million to PKR 7,132.46 million at year-end while Ijarah assets declined sharply from PKR 736.74 million to PKR 324.02 million, a decrease of 56.02%. Profit before levy and taxation for the year amounted to PKR 242.87 million, compared to PKR 252.41 million in the previous year, while profit after taxation stood at PKR 160.71 million, compared to PKR 174.08 million in 2024-25. Despite the challenging operating environment, the Modaraba maintained a healthy level of profitability, supported by its core Diminishing Musharaka financing business and effective management of financial and operating costs.



Awards and Recognition:

It is a great pleasure to see that OLPM's strong commitment to excellence has made it a leading name in the Modaraba sector. Some of the awards that OLPM received this year include:

- Certificate of achievement by NBFI & Modaraba Association of Pakistan.
- Corporate Social Responsibility Award from "The Professionals Network" in the following categories:
  - Reporting & Transparency;
  - Business Transformation; and
  - Corporate Social Responsibility Award from

"National Forum for Environment & Health" in the category of Collaborative CSR & Multi-Stakeholder Partnerships.

- Corporate Excellence Award from Management Association of Pakistan.

Effectiveness of the Role Played by the Board:

The Board of Directors has demonstrated commendable effectiveness in fulfilling its governance responsibilities and strategic oversight of the Modaraba. Amid a challenging macroeconomic landscape, the Board remained actively engaged in identifying and addressing key risk areas, while contributing meaningfully to the strategic planning process. Its commitment to sound corporate governance has helped safeguard and enhance stakeholder value. All Directors, including Independent Directors, participated constructively in Board deliberations, ensuring informed and balanced decision-making. During FY 2025-26, an independent Board Performance Evaluation was conducted by FAMCO Associates (Pvt.) Limited. The evaluation concluded that the overall performance of the Board was satisfactory and effective. The assessment highlighted the Board's effective oversight of strategy, risk management, financial reporting, internal controls, audit functions and regulatory compliance, while the performance of the Board Committees and the CEO was also rated positively. Going forward, the Board remains committed to further strengthening Board Management interaction and communication, strategic oversight and continuous improvement in governance practices.

Credit Rating:

The Pakistan Credit Rating Agency Limited (PACRA) has maintained the ratings of OLP Modaraba as 'AA' (Double A) and 'A1+' (A one plus) for long-term and short-term respectively. These ratings reflect a very high credit quality and a very low expectation of credit risk. It indicates a very strong capacity for timely payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events in the long-term rating and the highest capacity for timely repayment for the short-term rating.

Way forward:

Looking ahead, the Board remains committed to its long-term plans while keeping a close focus on the Modaraba's performance. Pakistan's changing economic environment brings both challenges and opportunities, and the Board continues to closely monitor developments to make timely and informed decisions.

I take great pride in the resilience, commitment and positive approach of the OLP Modaraba team. Their hard work and dedication have played an important role in supporting the growth of the business and improving our operations. With strong leadership and an experienced management team, we are well placed to face future challenges, make the most of new opportunities and continue creating value for our stakeholders.

With confidence and determination, we look forward to building on our progress and achieving continued growth, excellence and long-term success.

Acknowledgement:

Finally, I would like to thank all our Board Members for their commitment and contribution in the overall performance of Modaraba and to the certificate holders for their trust in the Board and the management. I would also like to thank the SECP for its valued guidance and support during last year.

I would also like to thank our employees for their hard work in the year ended June 30, 2026 and I look forward to continue working with them to attain our success in 2027.

SHAHEEN AMIN
Chairman
Karachi September 15, 2026

مالی سال 2025-26 کے دوران، FAMCO Associates (Pvt.) Limited نے بورڈ کی آزادانہ کارکردگی کا جائزہ لیا۔ جائزے میں یہ نتیجہ اخذ کیا گیا کہ بورڈ کی مجموعی کارکردگی اطمینان بخش اور مؤثر رہی۔ جائزے میں اسٹریٹجی، رسک مینجمنٹ، مالیاتی رپورٹنگ، اندرونی کنٹرولز، آڈٹ کے افعال اور ریگولیٹری کمپلائنس پر بورڈ کی مؤثر نگرانی کو اجاگر کیا گیا، جبکہ بورڈ کی کمیٹیوں اور CEO کی کارکردگی کو بھی مثبت قرار دیا گیا۔ آگے بڑھتے ہوئے، بورڈ بورڈ مینجمنٹ کے باہمی روابط اور مواصلات، اسٹریٹجک نگرانی اور گورننس کے طریقہ کار میں مسلسل بہتری کو مزید مضبوط بنانے کے لیے پر عزم ہے۔

کریڈٹ ریٹنگ:

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے OLP مضاربہ کی ریٹنگز طویل مدتی اور قلیل مدتی کے لیے بالترتیب AA(ڈبل اے)اور A1+(اے ون پلس) برقرار رکھی ہیں۔ یہ ریٹنگز بہت اعلیٰ کریڈٹ کوالٹی اور کریڈٹ رسک کی بہت کم توقعات کی عکاسی کرتی ہیں۔ یہ مالیاتی ذمہ داریوں کی بروقت ادائیگی کی بہت مضبوط صلاحیت کی نشاندہی کرتی ہیں۔ یہ صلاحیت طویل مدتی ریٹنگ کے لیے قابلِ پیش گوئی حالات سے نمایاں طور پر متاثر نہیں ہوتی جبکہ قلیل مدتی ریٹنگ بروقت ادائیگی کی اعلیٰ ترین صلاحیت کو ظاہر کرتی ہے۔

آگے کا لائحہ عمل:

آگے بڑھتے ہوئے، بورڈ طویل مدتی منصوبوں کے لیے پر عزم ہے جبکہ مضاربہ کی کارکردگی پر بھی قریبی توجہ برقرار رکھے گا۔ پاکستان کا بدلتا ہوا معاشی ماحول چیلنجز اور مواقع دونوں پیش کرتا ہے، اور بورڈ بروقت اور باخبر فیصلوں کو یقینی بنانے کے لیے اہم پیش رفت کی مسلسل نگرانی کرتا رہے گا۔

مجھے OLP مضاربہ کی ٹیم کی ثابت قدمی، عزم اور مثبت طرزِ عمل پر بہت فخر ہے۔ ان کی محنت اور لگن نے کاروبار کی ترقی اور ہماری آپریشنز کو بہتر بنانے میں اہم کردار ادا کیا ہے۔ مضبوط قیادت اور تجربہ کار مینجمنٹ ٹیم کے ساتھ، ہم مستقبل کے چیلنجز کا سامنا کرنے، نئے مواقع سے بھرپور فائدہ اٹھانے اور اپنے اسٹیک ہولڈرز کے لیے مسلسل قدر پیدا کرنے کے لیے اچھی پوزیشن میں ہیں۔

اعتماد اور عزم کے ساتھ، ہم اپنی پیش رفت کو جاری رکھنے اور مسلسل ترقی، بہترین کارکردگی اور طویل مدتی کامیابی کے حصول کے منتظر ہیں۔

اظہارِ تشکر:

آخر میں، میں اپنے تمام بورڈ ممبران کا مضاربہ کی مجموعی کارکردگی کے لیے ان کے عزم اور تعاون اور سرٹیفکیٹ ہولڈرز کا بورڈ اور مینجمنٹ پر ان کے اعتماد کے لیے تہہ دل سے شکریہ ادا کرنا چاہتا ہوں۔

میں گزشتہ سال کے دوران SECP کی جانب سے فراہم کردہ قیمتی رہنمائی اور تعاون پر بھی ان کا شکریہ ادا کرنا چاہتا ہوں۔

میں 30 جون 2026 کو ختم ہونے والے سال کے دوران اپنے ملازمین کی محنت کے لیے بھی ان کا شکریہ ادا کرنا چاہتا ہوں اور 2027 میں کامیابی کے حصول کے لیے ان کے ساتھ مسلسل کام کرنے کا منتظر ہوں۔

شاہین امین
چیئرمین

کراچی: 15 ستمبر 2026

چیئرمین کی جائزہ رپورٹ

مجھے یہ جائزہ رپورٹ پیش کرتے ہوئے بے حد خوشی ہو رہی ہے جس میں OLP مضاربہ (OLPM) کی مجموعی کارکردگی اور کاروباری اہداف کے حصول میں بورڈ کی مؤثریت کا جائزہ پیش کیا گیا ہے جو سال 2025-26 کے لیے ہے۔ بورڈ کے چیئرمین کی حیثیت سے، میری بنیادی کوشش ہوگی کہ کارپوریٹ گورننس کے ریگولیٹری فریم ورک کی پاسداری کو یقینی بنایا جائے اور بورڈ آف ڈائریکٹرز کی قیادت کرتے ہوئے مضاربہ کی اسٹریٹجک سمت کو مؤثر انداز میں منظم کیا جائے، جبکہ اس کے اسٹیک ہولڈرز کے مفادات کا تحفظ بھی یقینی بنایا جائے۔

مضاربہ (OLPM) کے لیے سال 2025-26:

30 جون 2026 کو ختم ہونے والے سال کے دوران، OLP مضاربہ نے اپنے بنیادی فنانسنگ پورٹ فولیو کو مضبوط بنانے اور ایک مشکل کاروباری ماحول میں پائیدار آپریشنز کو برقرار رکھنے پر توجہ مرکوز رکھی۔ 30 جون 2026 کو مضاربہ کے کل اثاثہ جات 8,457 ملین روپے رہے، جبکہ گزشتہ سال کے اختتام پر یہ 8,874 ملین روپے تھے، جو کہ 4.70 فیصد کی کمی کو ظاہر کرتا ہے۔ ڈیمینشنگ مشارکہ پورٹ فولیو میں مسلسل اضافہ جاری رہا، جو سال کے اختتام پر 6,869.50 ملین روپے سے بڑھ کر 7,132.46 ملین روپے ہو گیا، جو کہ 3.83 فیصد اضافہ ہے، جبکہ اجارہ کے اثاثہ جات 736.74 ملین روپے سے نمایاں طور پر کم ہو کر 324.02 ملین روپے رہ گئے، جو کہ 56.02 فیصد کی کمی ہے۔ لیوی اور ٹیکس سے قبل منافع گزشتہ سال کے 252.41 ملین روپے کے مقابلے میں موجودہ سال میں 242.87 ملین روپے رہا، جبکہ ٹیکس کے بعد منافع 2024-25 میں 174.08 ملین روپے کے مقابلے میں 160.71 ملین روپے رہا۔ مشکل کاروباری ماحول کے باوجود، مضاربہ نے منافع کی ایک صحت مند سطح برقرار رکھی، جسے اس کے بنیادی ڈیمینشنگ مشارکہ فنانسنگ کاروبار اور مالی و آپریٹنگ اخراجات کے مؤثر انتظام سے تقویت حاصل ہوئی۔

ایوارڈز اور اعزازات:

یہ دیکھ کر بہت خوشی ہوتی ہے کہ OLPM کی بہترین کارکردگی کے لیے مضبوط عزم نے اسے مضاربہ کے شعبے میں ایک نمایاں نام بنا دیا ہے۔ اس سال OLPM کو حاصل ہونے والے بعض اعزازات میں شامل ہیں:

- NBFI اور مضاربہ ایسوسی ایشن آف پاکستان کی جانب سے سرٹیفکیٹ آف اچیومنٹ۔
- "دی پروفیشنلز نیٹ ورک" کی جانب سے کارپوریٹ سوشل ریسپانسبلٹی ایوارڈ درج ذیل شعبوں میں:
  - رپورٹنگ اور شفافیت؛
  - کاروباری تبدیلی؛ اور
- "نیشنل فورم فار انوائرنمنٹ اینڈ ہیلتھ" کی جانب سے کارپوریٹ سوشل ریسپانسبلٹی ایوارڈ برائے تعاون پر مبنی CSR اور کثیر فریقی اسٹیک ہولڈر شراکت داری۔
- مینیجمنٹ ایسوسی ایشن آف پاکستان کی جانب سے کارپوریٹ ایکسیلنس ایوارڈ۔

بورڈ کی جانب سے ادا کیے گئے کردار کی مؤثریت:

بورڈ آف ڈائریکٹرز نے مضاربہ کی گورننس کی ذمہ داریوں اور اس کی اسٹریٹجک نگرانی کو پورا کرنے میں قابلِ تعریف مؤثریت کا مظاہرہ کیا ہے۔ مشکل معاشی صورتحال کے دوران، بورڈ نے اہم خطرات کی نشاندہی اور ان سے نمٹنے کے لیے فعال طور پر اپنا کردار ادا کیا، جبکہ اسٹریٹجک منصوبہ بندی کے عمل میں بھی بامعنی کردار ادا کیا۔ کارپوریٹ گورننس کے مضبوط اصولوں سے اس کی وابستگی نے اسٹیک ہولڈرز کی قدر کے تحفظ اور اس میں اضافے میں مدد فراہم کی ہے۔ تمام ڈائریکٹرز، بشمول آزاد ڈائریکٹرز، نے بورڈ کے غور و خوض میں تعمیری انداز میں حصہ لیا، جس سے باخبر اور متوازن فیصلہ سازی کو یقینی بنایا گیا۔

FORTY-THIRD REPORT OF THE DIRECTORS OF MODARABA COMPANY

For the year ended June 30, 2026

The Board of Directors of OLP Services Pakistan (Private) Limited (OSPL), the Management Company of OLP Modaraba (OLPM), is pleased to present the Forty Third Directors' report of OLPM, together with audited financial statements and auditors' report thereon for the year ended June 30, 2026.

1. Economy

Pakistan's economy continued its recovery during FY26, with real GDP growth accelerating to 3.8% in the first half of the year, compared to 1.9% in the corresponding period last year, led by a broad-based recovery in large-scale manufacturing, which grew by 5.9% during July-February FY26, alongside continued momentum in agriculture and services. Growth moderated in the second half of the year as the escalation of the Middle East conflict weighed on external demand and drove up global energy prices; provisional estimates for full-year FY26 GDP growth stood at 3.7%.

On the external front, the current account posted a surplus during the July-March period of FY26, with the position further supported by Pakistan's return to international capital markets through the issuance of Eurobonds after a gap of over four years. Foreign exchange reserves strengthened to around USD 18.5 billion by year end, supported by continued IMF disbursements and record workers' remittances of USD 41.6 billion, up 8.6% year-on-year and, for the first time, exceeding the country's total export earnings. For the full year, however, the current account slipped into a marginal deficit of USD 139 million, as import growth (goods and services imports rising by USD 76.39 billion) outpaced a broadly flat export performance (up only 0.2% to USD 40.88 billion).

Having been reduced by a cumulative 1,150 basis points over the preceding two years, the policy rate was held steady at 10.5% through much of the second half of FY26, as the outbreak of the Middle East conflict disrupted global fuel supplies and raised freight and insurance costs. Continued fiscal discipline and the build-up of external buffers left Pakistan better positioned to absorb this shock than during similar episodes in the past. Headline inflation remained largely within the 5%-7% target range for most of FY26, though monsoon floods, which displaced an estimated three million people during the year, added upward pressure on food prices in certain months.

On the multilateral front, a staff-level agreement was reached with the IMF on March 27, 2026 for the Third Review of the 37-month Extended Fund Facility (EFF) and the Second Review of the 28-month Resilience and Sustainability Facility (RSF), which was completed in May 2026, releasing a further tranche of approximately USD 1.3 billion and taking cumulative disbursements under the two arrangements to around USD 4.8 billion. Programme implementation continued to support macroeconomic stability and the rebuilding of fiscal and external buffers, with the government on track to meet its FY26 primary fiscal surplus target of 1.6% of GDP. Reflecting these improved fundamentals, Pakistan's long-term sovereign credit rating was upgraded to 'B' from 'B-' in July 2026, its highest level since 2016. The Middle East conflict has nonetheless introduced fresh uncertainty to the outlook for FY27, with growth projections revised down and inflation forecasts revised up; continued fiscal consolidation, energy sector reform, and a sustained recovery in exports will remain critical to safeguarding stability going forward.

2. Operating Results and Business Overview

	June 30, 2026 (PKR '000')	June 30, 2025 (PKR '000')
Statement of Financial Position		
Certificate capital	453,835	453,835
Total equity	1,374,149	1,326,902
Investment in Ijarah finance and Ijarah Assets	324,023	736,742
Investments in Diminishing Musharika	7,132,461	6,869,497
Redeemable capital	5,439,987	5,682,549
Total assets	8,456,511	8,873,727
Statement of Profit and Loss Account		
Revenue (net of Ijarah assets depreciation)	1,298,733	1,573,649
Financial charges	700,000	955,358
Provisions for Bad debts for the year	37,924	52,814
Operating expenses	280,780	274,444
Profit before management fee	280,029	291,033
Profit before levy and taxation	242,869	252,413
Net profit	160,705	174,077
Appropriations		
Net profit for the year	160,705	174,077
Add: Unappropriated profit brought forward	180,720	120,102
Profit available for appropriation	341,425	294,179
Profit distribution @ 25% (2025 @ 25%)	113,459	113,459
Unappropriated profit carried forward	227,966	180,720
Earnings per certificate	3.54	3.84

By the Grace of Allah, your Modaraba continued to maintain perseverance in its operational and financial performance during the year ended June 30, 2026. Despite a challenging environment, the Modaraba demonstrated prudent resource management and effective cost control measures.

Gross margin (revenue net of financial charges and Ijarah assets depreciation) increased by 6.32% to PKR 561.49 million from PKR 528.09 million in the last year. Although gross revenue (net of Ijarah assets depreciation) decreased by 14.96% to PKR 1,261.49 million from PKR 1,483.45 million in the last year mainly due to substantial downward movement of benchmark rates (KIBOR) during the year, due to efficient liquidity management practices and in line with this reduction of bench mark rates, financial and other charges also decreased significantly by 26.73% to PKR 700.00 million from PKR 955.36 million.

Administrative and operating expenses increased by only 2.31% to PKR 280.78 million from PKR 274.44 million, despite significant inflationary pressures and increase in human resources cost in the market. This reflects the Modaraba's strong cost discipline and ability to control expenses well below the rate of inflation. Due to our prudent approach, a net provision of PKR 37.92 million was charged during the year under review mainly due to subjective downward classification of one customer. Other income decreased by 58.71% to PKR 37.24 million from PKR 90.20 million in last year mainly due to decrease in gain on disposal of Ijarah assets as a number of ijarah contracts were early terminated during last year. Consequently, profit before income tax and levy decreased by 3.78% million to PKR 242.87 from PKR 252.41 whereas net profit for the period decreased by 7.68% to PKR 160.71 million from PKR 174.08 million compared to last year.

On the balance sheet side, total assets decreased by 4.70%, to PKR 8,456.51 million from PKR 8,873.73 million mainly due to lower investments in Ijarah finances. The Diminishing Musharika portfolio continued to grow, increasing by 3.83% to PKR 7,132.46 million from PKR 6869.50 million, while Ijarah assets declined sharply from PKR 736.74 million to PKR 324.02 million, a decrease of 56.02%, reflecting the Modaraba's continued strategic shift in asset allocation towards Diminishing Musharika.

Our business strategy remains focused on building strong relationships with selected clients and initiating partnerships with reputable names. The asset portfolio continues to include a balanced mix of multinational companies, local corporates, and carefully chosen SMEs.

Risk management continues to be a top priority with thorough evaluation of every customer before financing is approved, with ongoing monitoring throughout the relationship. Dedicated Portfolio Management and Early Alert Committees ensure timely identification and response to any emerging risks.

These results reflect the Modaraba's continued focus on building quality assets, maintaining financial discipline, and managing risks effectively. The management remains committed to delivering sustainable growth and creating long-term value for stakeholders.

3. Sustainability

At OLP Modaraba, we believe that progress is not just about financial growth but also about making a positive impact on the environment, society, and governance. As a leading Modaraba in Pakistan, we are committed to integrating Environmental, Social, and Governance (ESG) principles into every aspect of our operations. This report outlines our efforts, achievements, and future commitments in these areas, reflecting our dedication to sustainable and responsible financing practices.

Our primary focus is to ensure that our operations are environmentally sustainable, socially responsible, and governed by the highest standards of transparency and accountability. As an Islamic financing institution, we recognize the unique role we play in the financial ecosystem, and we are committed to leveraging this position to drive positive change. This includes minimizing our environmental footprint, promoting social welfare, and upholding strong governance practices

4. Strategic Objectives on ESG

The Board of OLPM approached to sustainability is holistic and integrated. We have established a robust ESG framework that aligns with global best practices and ensures that sustainability considerations are embedded in every aspect of our business.

Environmental Responsibility: We are committed to reducing our environmental footprint and promoting sustainable financing practices. This includes minimizing paper usage, adopting energy-efficient technologies, and incorporating environmental risk assessments into our credit review process.

Social Responsibility: We strive to create an inclusive and equitable workplace, support community development, and promote financial inclusion. Our initiatives focus on employee empowerment, diversity and inclusion, and community engagement.

Governance: We uphold the highest standards of transparency, accountability, and ethical conduct. Our governance framework ensures that we operate with integrity and in the best interests of our stakeholders.

5. Pattern of Shareholding

The Modaraba certificates are traded on the Pakistan Stock Exchange Limited. The certificate holding information as of June 30, 2026 is provided in the relevant section of the annual report. The Directors, CEO, CFO/ Company Secretary, Head of Internal Audit and their spouses/ minor children did not carry out any transaction in the certificates of Modaraba during the year, except already disclosed to the regulatory bodies and included in the pattern of shareholding.

6. Profit Distribution

The Board in its meeting held on September 15, 2026 has approved the distribution of profit of PKR. 2.5 (25%) per certificate of PKR 10 each, subject to deduction of zakat and tax at source where applicable, for the year ended June 30, 2026.

7. Corporate and Financial Reporting Framework

- The financial statements, prepared by the management of the Modaraba, present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- Proper books of accounts of the Modaraba have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of financial statements, Accounting estimates used are based on reasonable and prudent judgment.
- International Financial Reporting Standards, as applicable to Modarabas in Pakistan, have been followed in preparation of financial statements and any departures there from have been adequately disclosed.
- The system of internal control, which is in place is sound in design and has been effectively implemented and monitored.
- There is no doubt upon the Modaraba's ability to continue as a going concern.
- There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations.
- Key operating and financial data for the last six years in summarized form is included in this annual report.

There are no statutory payments on account of taxes, duties, levies and charges which are outstanding as on June 30, 2026, except for those disclosed in the financial statements.

8. The Board of Directors' Meetings and Attendance

During the year, eight (08) meetings of the Board of Directors were held. No Board meeting was held outside Pakistan. Attendance by each director is as follows:

Name of Director	No. of Meetings Attended
Shaheen Amin	01
Naveed Kamran Baloch	05
Raheel Qamar Ahmad	07
Ramon Alfrey	08
Mian Faysal Riaz	08
Nausherwan Adil	07
Nadim D. Khan	07
Naila Hasan	07
Yacoob Suttar	01
Ahmad Kamal	01
Waqas Ahmad Khwaja	01
Nosheen Iqbal	01

During the year, six (06) meetings of the Audit Committee were held. Attendance by each member was as follows:

Name of Member	No. of Meetings Attended
Mr. Nausherwan Adil	06
Mian Faysal Riaz	06
Mr. Ramon Alfrey	06

During the year, one (01) meeting was held by Human Resource and Remuneration Committee to finalize the revision in staff benefits and recommend the yearly staff total compensation which was attended by all members at that time.

Name of Member	No. of Meetings Attended
Ms. Naila Hasan	01
Mr. Ramon Alfrey	01
Mr. Raheel Qamar Ahmad	01

During the year, one (01) meeting was held by Board Risk Committee which was attended by all members at that time.

Name of Member	No. of Meetings Attended
Mian Faysal Riaz	01
Mr. Raheel Qamar Ahmad	01
Mr. Nausherwan Adil	01
Mr. Ramon Alfrey	01

9. Current Structure of Board and its Committees

The total number of directors are 07 as per the following, -

a. Male: 06
b. Female: 01

The composition of the board and its committees are as follows:

Names of Board Members	Member in Committees	Category
Mr. Shaheen Amin	Chairman Risk Committee and Member HR&R Committee	Non-Executive Directors
Mr. Ramon Alfrey	Member Audit Committee, Risk Committee and Member HR&R Committee	
Mian Faysal Riaz	Member Risk Committee and Audit Committee	
Ms. Nosheen Iqbal		
Mr. Yacoob Suttar	Chairman Audit Committee	Independent Directors
Mr. Ahmad Kamal	Chairman HR&R Committee	
Mr. Waqas Ahmad Khwaja*	Member Risk and HR&R Committee	Executive Director

The following changes have taken place in board of directors of the OLP Services Pakistan (Private) Limited (OSPL), the management company of OLP Modaraba (OLPM) since the Directors' report for the year ended June 30, 2025:

On May 08, 2026, OLP Services Pakistan (Private) Limited the Management Company of OLP Modaraba has conducted its Board of Directors election for a period of next three years effective from May 09, 2026. In the election, Mr. Shaheen Amin, Mr. Waqas Ahmad Khwaja, Ms. Nosheen Iqbal, Mr. Yacoob Suttar and Mr. Ahmad Kamal joined the board in place of the retiring / resigned directors namely Mr. Naveed Kamran Baloch, Mr. Raheel Qamar Ahmad, Ms. Naila Hasan, Mr. Nausherwan Adil and Mr. Nadim D. Khan.

Mr. Raheel Qamar Ahmad CEO/Managing Director was retired and Mr. Waqas Ahmad Khwaja was appointed as new CEO/ Managing Director. The Board wishes to place on record its appreciation for valuable services and long leadership role of Mr. Raheel Qamar Ahmad and welcome Mr. Waqas Ahmad Khwaja.

The Board also wishes to place on record its appreciation and gratitude for the valuable contributions made to the outgoing director and extends a warm welcome and cooperation to the newly appointed director in performing their fiduciary responsibility.

In accordance with the Regulation 7 of Listed Companies Code of Corporate Governance 2019, Ms. Nosheen Iqbal was appointed as the female director.

The remuneration of the Executive Directors, Independent Directors and one Non Executive Director was paid by the Modaraba Management Company.

*All Directors have fulfilled the training requirement under the Director Training Program, with the exception of Mr. Waqas Ahmad Khwaja, who will undergo the training during the upcoming year. This is in line with Regulation 19 of the Listed Companies (Code of Corporate Governance) Regulations, 2019, which allows a one-year grace period from the date of a Director's appointment to complete the prescribed training.

10. Management Committee

The Management Committee comprises of Six (06) senior members and the Managing Director, who meet and discuss major business plans, issues and progress updates of their respective functions. Major matters are then put forth to the Board for consideration and approvals.

11. Social Responsibility

OLPM is committed for conducting business responsibly and investing in communities for their sustainable development. Corporate Social Responsibility is, therefore, an integral part of OLPM's ways of working. At OLPM, we believe in building long-term relationships with neighboring communities, stakeholders and embrace transparency in all work processes. Detailed policies and procedures are in place to enable us to meet the legal, ethical, commercial and public expectations of the communities in which we operate.

OLPM maintains its dedication to environmental protection, conservation, and carbon emissions reduction. OLPM continues to provide financial assistance to various charitable and non-profit organizations. During the year ended June 30, 2026, OLPM supported the following charitable and non-profit organizations:

- Layton Rahmatulla Benevolent Trust Hospital (LRBT) — PKR 1.0 million (2025: PKR 2.0 million);
- The Patients' Behbud Society for AKUH — PKR 1.0 million (2025: PKR 2.0 million); and
- Patient Aid Foundation — PKR 1.0 million (2025: Nil).

12. Our People

People at OLP Modaraba are crucial to the delivery of its sustainable business model. In our continuous drive to make OLPM a great place to work, focus is on attracting the best talent across our footprint and employee engagement. At OLP Modaraba we believe high performance is not just about generating high profits; it is about living our values. This year an In-house wellness week was arranged for the staff to promotes a healthier work-life balance and improve their emotional, mental or physical wellbeing. The course of the week comprises of Nutritional Hour, Literacy Hour, Meditation Session, Environmental & Social Hour and Physical Hour.

The Board places on record its appreciation of the services rendered by the staff members responsible for Modaraba affairs. Modaraba's record of achievements would not have been possible without the efforts of every employee. It is indeed the dedication and hard work of each one of them that has brought OLPM to where it stands now. We will continue to invest in our Human Resources.

13. Equal Opportunity Employer

OLPM is an equal opportunity employer that upholds a strict policy of non-discrimination on the basis of gender, language, race, religion, or disability. In line with all applicable legal requirements, the organization ensures the appointment of persons with disabilities within its workforce. The Human Resources function is responsible for maintaining transparency throughout the recruitment and compensation process, with decisions based solely on merit, experience, and qualification.

The organization actively encourages applications from minorities, women, and differently abled individuals across all roles in its recruitment process, reflecting OLPM's commitment to the country's broader agenda on gender equality and women's empowerment.

14. Environmental Protection Measures

Sustainability remains a core commitment at OLPM, both in our portfolio and in our day-to-day operations. Recognizing environmental protection as a shared global responsibility, we have established a "Carbon Footprint Reduction Committee" dedicated to this cause. Through this committee, we continually explore new avenues to lower carbon emissions and embed environmentally responsible practices across the business. The Modaraba firmly discourages the unnecessary or wasteful consumption of resources and promotes recycling within its internal office operations.

15. Consumer Protection and Anti-Corruption Measures

At OLPM, business ethics, anti-corruption, and the protection of customer confidentiality are treated as top priorities, given our belief that employee ethics are fundamental to building institutional reputation and long-term sustainability. Our relationship with customers is built on mutual trust, and to uphold this trust, we place customer interests first, delivering the highest standard of service while treating all customers fairly, transparently, and responsibly. At the same time, our internal processes are designed to safeguard this trust from being compromised. Employees are regularly trained on our Anti-Bribery and Corruption (ABC) policy, and information is shared strictly on a need-to-know basis, with proper procedures in place governing any further disclosure, whether within or outside the Modaraba. All information disclosures are made in compliance with applicable laws and regulations, including Shariah governance requirements, thereby ensuring the highest standards of governance are consistently maintained.

16. External Annual Audit

The financial statements of OLPM have been audited along with the review of Statement of Compliance with the requirements of Listed Companies Code of Corporate Governance 2019, without any qualification by the auditors namely KPMG Taseer Hadi & Co., Chartered Accountants.

17. Auditors*

Messrs KPMG Taseer Hadi & Co., Chartered Accountants, were appointed as external auditors of the Modaraba for the year ended June 30, 2026, their second consecutive year in that capacity.

As per the requirements of Regulation 33 of the Listed Companies (Code of Corporate Governance) Regulations, 2019, All inter-related companies/institutions engaged in the business of providing financial services must appoint the same firm of auditors to conduct the audit of their accounts.

The parent Company; OLP Financial Services Pakistan Limited (the Company) informed that they intend to change their auditor due the fact that KPMG International has confirmed that it will exit its practice in Pakistan at the end of October 2026, after which the firm will no longer be a member of an international accounting network. The parent Company's principal shareholder, ORIX Corporation, Japan, requires its group companies to be audited by a member firm of one of the Big Four international accounting networks.

Since the Auditors of the parent Company not decided as yet, the Board deferred the appoint of Auditors for the year ending June 30, 2027 till the Board of Directors of the parent Company appoint their auditors.

18. Awards

During the period from last annual Directors' Report, your Modaraba has been rewarded with:

- Certificate of achievement by NBFI & Modaraba Association of Pakistan.
- Corporate Social Responsibility Award from "The Professionals Network" in the following categories:
    - Reporting & Transparency;
    - Business Transformation; and
- Corporate Social Responsibility Award from "National Forum for Environment & Health" in the category of Collaborative CSR & Multi-Stakeholder Partnerships
- Corporate Excellence Award from Management Association of Pakistan

19. Entity Ratings

The Pakistan Credit Rating Agency Limited (PACRA) has maintained the ratings of OLP Modaraba as AA (Double A) and A1+ (A one plus) for long-term and short-term respectively, as assigned on February 27, 2026 (June 30, 2025: February 28, 2025). These ratings indicate low expectation of credit risk and exceptionally strong capacity for timely payment of financial commitments.

20. Value of Investment of Provident, Gratuity Funds

The Modaraba maintains retirement benefit plans for its employees. Based on their respective un-audited accounts as at June 30, 2026, the total assets of the Provident Fund amounted to PKR 49.125 million (2025: PKR 54.027 million) and the total assets of the defined contribution scheme amounted to PKR 44.700 million (2025: PKR 57.133 million).

21. Subsequent Events

No material changes or commitments affecting the financial position of the company have occurred between the end of the financial year of the company and the date of this report.

22. Acknowledgment

The Board would like to thank the SECP for its continued guidance and support.

The Board would also like to thank its valued customers and investors for their continued trust and support.

Karachi: September 15, 2026

Ramon Alfrey
Director

Waqas Ahmad Khwaja
Chief Executive Officer/ MD

*Subsequent to Board meeting dated September 15, 2026, The Board of Directors of the parent Company; OLP Financial Services Pakistan Limited appoint Messrs. A.F. Ferguson & Co., Chartered Accountants, a member firm of the PwC network, as external auditors of the Company for the year ending June 30, 2027

Accordingly, on the recommendation of Audit Committee, the Board has approved the appointment of the Messrs. A. F. Ferguson & Co., Chartered Accountants, Chartered Accountants, a member firm of the PwC network, as auditors of OLP Modaraba for the year ending June 30, 2027 on October 1, 2026 at a fee mutually agreed with the auditors and subject to approval by the Registrar of Modaraba Companies and Modarabas.

21۔ بعد ازاں رونما ہونے والے واقعات

کمپنی کے مالیاتی سال کے اختتام اور اس رپورٹ کی تاریخ کے درمیان کمپنی کی مالیاتی پوزیشن کو متاثر کرنے والی کوئی اہم تبدیلی یا عہد رونما نہیں ہوا۔

22۔ اظہارِ تشکر

بورڈ مسلسل رہنمائی اور معاونت پر SECP کا شکریہ ادا کرنا چاہتا ہے۔

بورڈ اپنے قابلِ قدر صارفین اور سرمایہ کاروں کا بھی ان کے مسلسل اعتماد اور تعاون پر شکریہ ادا کرنا چاہتا ہے۔

کراچی: 15 ستمبر 2026

رامن الفری
ڈائریکٹر

وقاص احمد خواجہ
چیف ایگزیکٹو آفیسر / مینجنگ ڈائریکٹر

*15 ستمبر 2026 کو ہونے والے بورڈ اجلاس کے بعد، پیرنٹ کمپنی (او ایل پی فنانشل سروسز پاکستان لمیٹڈ) کے بورڈ آف ڈائریکٹرز نے میسرز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس (جو PwC نیٹ ورک کی رکن فرم ہے) کو 30 جون 2027 کو ختم ہونے والے سال کے لیے کمپنی کا بیرونی آڈیٹر مقرر کیا۔

اس کے مطابق، آڈٹ کمیٹی کی سفارش پر، بورڈ نے یکم اکتوبر 2026 کو میسرز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس (PwC نیٹ ورک کی رکن فرم) کو 30 جون 2027 کو ختم ہونے والے سال کے لیے او ایل پی (OLP) مضاربہ کا آڈیٹر مقرر کرنے کی منظوری دی۔ یہ تقرری آڈیٹرز کے ساتھ باہمی طور پر طے شدہ فیس پر اور 'رجسٹرار آف مضاربہ کمپنیز اینڈ مضاربات' کی منظوری سے مشروط ہے۔

لسٹڈ کمپنیز (کارپوریٹ گورننس کا ضابطہ) ریگولیشنز، 2019 کے ضابطہ نمبر 33 کی ضروریات کے مطابق، مالیاتی خدمات فراہم کرنے کے کاروبار میں مصروف تمام باہمی طور پر منسلک کمپنیوں / اداروں کے لیے لازم ہے کہ وہ اپنے کھاتوں (accounts) کے آڈٹ کے لیے آڈیٹرز کی ایک ہی فرم کا تقرر کریں۔

پیرنٹ کمپنی، اوایل پی (OLP) فنانشل سروسز پاکستان لمیٹڈ (کمپنی) نے مطلع کیا کہ وہ اپنے آڈیٹر کو تبدیل کرنے کا ارادہ رکھتی ہے کیونکہ کے پی ایم جی (KPMG) انٹرنیشنل نے تصدیق کی ہے کہ وہ اکتوبر 2026 کے آخر میں پاکستان میں اپنا کاروبار بند کر دے گی، جس کے بعد یہ فرم کسی بین الاقوامی اکاؤنٹنگ نیٹ ورک کی رکن نہیں رہے گی۔ پیرنٹ کمپنی کے مرکزی شیئر ہولڈر، اورکس (ORIX) کارپوریشن، جاپان کی یہ شرط ہے کہ اس کے گروپ کی کمپنیوں کا آڈٹ 'بگ فور (Big Four)' بین الاقوامی اکاؤنٹنگ نیٹ ورکس میں سے کسی ایک کی رکن فرم کے ذریعے کیا جائے۔

چونکہ پیرنٹ کمپنی کے آڈیٹرز کا فیصلہ ابھی تک نہیں ہوا تھا، اس لیے بورڈ نے 30 جون 2027 کو ختم ہونے والے سال کے لیے آڈیٹرز کے تقرر کو اس وقت تک ملتوی کر دیا جب تک کہ پیرنٹ کمپنی کا بورڈ آف ڈائریکٹرز اپنے آڈیٹرز کا تقرر نہ کر لے۔

18۔ ایوارڈز

گزشتہ سالانہ ڈائریکٹرز رپورٹ کے بعد کی مدت کے دوران آپ کی مضاربہ کو درج ذیل اعزازات سے نوازا گیا:

- این بی ایف آئی اینڈ مضاربہ ایسوسی ایشن آف پاکستان کی جانب سے Certificate of Achievement ۔
- "The Professionals Network" کی جانب سے کارپوریٹ سماجی ذمہ داری کا ایوارڈ درج ذیل زمروں میں:
  - Reporting & Transparency
  - Business Transformation
- "National Forum for Environment & Health" کی جانب سے مشترکہ سی ایس آر (CSR) اور اسٹیک ہولڈر پارٹنرشپ کے زمرے میں Corporate Social Responsibility Award ۔
- مینجمنٹ ایسوسی ایشن آف پاکستان کی جانب سے Corporate Excellence Award ۔

19۔ ادارے کی ریٹنگز

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے اوایل پی مضاربہ کی طویل مدتی اور قلیل مدتی ریٹنگز بالترتیب AA (ڈبل اے) اور A1+ (اے ون پلس) برقرار رکھی ہیں، جو 27 فروری 2026 کو مقرر کی گئیں (30 جون 2025: 28 فروری 2025)۔ یہ ریٹنگز کریڈٹ رسک کی کم توقع اور مالیاتی ذمہ داریوں کی بروقت ادائیگی کی غیر معمولی مضبوط صلاحیت کی نشاندہی کرتی ہیں۔

20۔ پرووِیڈنٹ اور گریجویٹی فنڈز کی سرمایہ کاری کی مالیت

مضاربہ اپنے ملازمین کے لیے ریٹائرمنٹ بینیفٹ پلانز برقرار رکھتی ہے۔ 30 جون 2026 کو ان کے متعلقہ غیر آڈٹ شدہ اکاؤنٹس کی بنیاد پر، پرووِیڈنٹ فنڈ کے کل اثاثے 49.125 ملین روپے (2025: 54.027 ملین روپے) جبکہ Defined Contribution Scheme کے کل اثاثے 44.700 ملین روپے (2025: 57.133 ملین روپے) تھے۔

بورڈ مضاربہ کے امور کے ذمہ دار اسٹاف ممبران کی فراہم کردہ خدمات کو سراہتا ہے۔ مضاربہ کی کامیابیوں کا ریکارڈ ہر ملازم کی کوششوں کے بغیر ممکن نہ تھا۔ یہ واقعی ہر ایک کی لگن اور محنت ہے جس نے OLPM کو موجودہ مقام تک پہنچایا ہے۔ ہم اپنے Human Resources میں سرمایہ کاری جاری رکھیں گے۔

13۔ مساوی مواقع فراہم کرنے والا ادارہ

OLPM ایک مساوی مواقع فراہم کرنے والا ادارہ ہے جو جنس، زبان، نسل، مذہب یا معذوری کی بنیاد پر عدم امتیاز کی سخت پالیسی پر عمل پیرا ہے۔ تمام قابلِ اطلاق قانونی تقاضوں کے مطابق، ادارہ اپنی افرادی قوت میں معذور افراد کی تقرری کو یقینی بناتا ہے۔ ہیومن ریسورسز کا شعبہ بھرتی اور معاوضے کے عمل میں شفافیت برقرار رکھنے کا ذمہ دار ہے، جہاں فیصلے صرف قابلیت، تجربے اور تعلیمی اہلیت کی بنیاد پر کیے جاتے ہیں۔

ادارہ اپنے بھرتی کے عمل میں تمام عہدوں کے لیے اقلیتوں، خواتین اور مختلف النوع معذوریوں کے حامل افراد کی درخواستوں کی بھرپور حوصلہ افزائی کرتا ہے، جو صنفی مساوات اور خواتین کو بااختیار بنانے کے حوالے سے ملک کے وسیع تر ایجنڈے سے OLPM کے عزم کی عکاسی کرتا ہے۔

14۔ ماحولیاتی تحفظ کے اقدامات

OLPM میں پائیداری ہمارے پورٹ فولیو اور روزمرہ کے آپریشنز دونوں میں بنیادی عزم کی حیثیت رکھتی ہے۔ ماحولیاتی تحفظ کو ایک مشترکہ عالمی ذمہ داری تسلیم کرتے ہوئے، ہم نے اس مقصد کے لیے ایک "Carbon Footprint Reduction Committee" قائم کی ہے۔ اس کمیٹی کے ذریعے ہم کاربن اخراج کم کرنے کے نئے طریقے مسلسل تلاش کرتے اور کاروبار کے تمام شعبوں میں ماحول دوست طریقہ کار نافذ کرتے ہیں۔ مضاربہ وسائل کے غیر ضروری یا ضیاع پر مبنی استعمال کی سختی سے حوصلہ شکنی کرتا ہے اور اپنے اندرونی دفتری امور میں ری سائیکلنگ کو فروغ دیتا ہے۔

15۔ صارفین کا تحفظ اور انسدادِ بدعنوانی کے اقدامات

OLPM میں کاروباری اخلاقیات، انسدادِ بدعنوانی اور صارفین کی رازداری کے تحفظ کے اقدامات کو اولین ترجیح دی جاتی ہے، کیونکہ ہمارا یقین ہے کہ ملازمین کی اخلاقیات ادارے کی ساکھ اور طویل مدتی پائیداری کی تعمیر میں بنیادی کردار ادا کرتی ہیں۔ صارفین کے ساتھ ہمارا تعلق باہمی اعتماد پر قائم ہے اور اس اعتماد کو برقرار رکھنے کے لیے ہم صارفین کے مفاد کو اولین ترجیح دیتے ہیں، اعلیٰ معیار کی خدمات فراہم کرتے ہیں اور تمام صارفین کے ساتھ شفافیت اور ذمہ داری کے ساتھ منصفانہ سلوک کرتے ہیں۔ اسی طرح ہمارے داخلی طریقہ کار اس بات کو یقینی بناتے ہیں کہ یہ اعتماد مجروح نہ ہو۔ ملازمین کو Anti-Bribery and Corruption (ABC) پالیسی کے بارے میں باقاعدگی سے تربیت دی جاتی ہے، جبکہ معلومات صرف ضرورت کے مطابق جاننے کی بنیاد پر فراہم کی جاتی ہیں اور مضاربہ کے اندر یا باہر ایسی معلومات کے مزید افشا کے لیے مناسب طریقہ کار موجود ہیں۔ معلومات کے تمام افشائیے قابلِ اطلاق قوانین اور ضوابط، بشمول شریعہ گورننس کے تقاضوں، کے مطابق کیے جاتے ہیں تاکہ گورننس کے اعلیٰ ترین معیارات کو مسلسل برقرار رکھا جاسکے۔

16۔ بیرونی سالانہ آڈٹ

OLPM کے مالیاتی گوشواروں کا آڈٹ Listed Companies Code of Corporate Governance 2019 کے تقاضوں کے Statement of Compliance کے جائزے کے ساتھ کے پی ایم جی تاثیر ہادی اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس نے بغیر کسی qualification کے کیا ہے۔

17۔ آڈیٹرز*

میسرز کے پی ایم جی (KPMG) تاثیر ہادی اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو 30 جون 2026 کو ختم ہونے والے سال کے لیے مضاربہ کا بیرونی آڈیٹر مقرر کیا گیا تھا؛ یہ اس حیثیت میں ان کا مسلسل دوسرا سال تھا۔

بورڈ سبکدوش ہونے والے ڈائریکٹر کی قیمتی خدمات اور تعاون پر اپنی قدردانی اور تشکر بھی ریکارڈ پر لاتا ہے اور نئے مقرر کردہ ڈائریکٹر کو ان کی فیڈوشری ذمہ داریوں کی انجام دہی میں گرمجوشی سے خوش آمدید اور تعاون پیش کرتا ہے۔

Regulation 7 کے Listed Companies Code of Corporate Governance 2019 کے مطابق محترمہ نوشین اقبال کو خاتون ڈائریکٹر مقرر کیا گیا۔

ایگزیکٹو ڈائریکٹرز، آزاد ڈائریکٹرز اور ایک نان ایگزیکٹو ڈائریکٹر کا معاوضہ مضاربہ مینجمنٹ کمپنی نے ادا کیا۔

*تمام ڈائریکٹرز نے ڈائریکٹر تربیتی پروگرام کے تحت تربیت کی شرط پوری کرلی ہے، سوائے جناب وقاص احمد خواجہ کے، جو آئندہ سال تربیت حاصل کریں گے۔ یہ Listed Companies (Code of Corporate Governance) Regulations, 2019 کے Regulation 19 کے مطابق ہے، جو ڈائریکٹر کی تقرری کی تاریخ سے مقررہ تربیت مکمل کرنے کے لیے ایک سال کی رعایتی مدت کی اجازت دیتا ہے۔

10۔ مینجمنٹ کمیٹی

مینجمنٹ کمیٹی چھ (06) سینئر اراکین اور مینجنگ ڈائریکٹر پر مشتمل ہے، جو اپنے متعلقہ شعبوں کے اہم کاروباری منصوبوں، مسائل اور پیش رفت کے بارے میں ملاقات اور تبادلہ خیال کرتے ہیں۔ اہم امور غور اور منظوری کے لیے بورڈ کے سامنے پیش کیے جاتے ہیں۔

11۔ سماجی ذمہ داری

OLPM ذمہ دارانہ انداز میں کاروبار کرنے اور کمیونٹیز کی پائیدار ترقی میں سرمایہ کاری کرنے کے لیے پرعزم ہے۔ لہٰذا کارپوریٹ سماجی ذمہ داری OLPM کے کام کرنے کے طریقہ کار کا ایک لازمی حصہ ہے۔ OLPM میں ہمارا یقین ہے کہ ہم پڑوسی کمیونٹیز اور اسٹیک ہولڈرز کے ساتھ طویل مدتی تعلقات قائم کریں اور کام کے تمام طریقہ کار میں شفافیت کو اپنائیں۔ ان کمیونٹیز کی قانونی، اخلاقی، تجارتی اور عوامی توقعات پوری کرنے کے لیے تفصیلی پالیسیاں اور طریقہ کار موجود ہیں جہاں ہم کام کرتے ہیں۔

OLPM ماحولیاتی تحفظ، قدرتی وسائل کے تحفظ اور کاربن اخراج میں کمی کے لیے اپنے عزم کو برقرار رکھتا ہے۔ OLPM مختلف فلاحی اور غیر منافع بخش اداروں کو مالی معاونت فراہم کرتا رہتا ہے۔ 30 جون 2026 کو ختم ہونے والے سال کے دوران OLPM نے درج ذیل فلاحی اور غیر منافع بخش اداروں کی معاونت کی:

- لیٹن رحمت اللہ بینیولنٹ ٹرسٹ ہسپتال (LRBT) - 1.0 ملین روپے (2025: 2.0 ملین روپے)؛
- دی پیشنٹس بہبود سوسائٹی فار AKUH - 1.0 ملین روپے (2025: 2.0 ملین روپے)؛ اور
- پیشنٹ ایڈ فاؤنڈیشن — 1.0 ملین روپے (2025: صفر)۔

12۔ ہمارے لوگ

OLP مضاربہ کے افراد اس کے پائیدار کاروباری ماڈل کی فراہمی میں بنیادی اہمیت رکھتے ہیں۔ OLPM کو کام کرنے کے لیے ایک بہترین جگہ بنانے کی ہماری مسلسل کوشش میں ہماری توجہ پورے دائرۂ کار میں بہترین صلاحیتوں کو راغب کرنے اور ملازمین کی شمولیت پر مرکوز ہے۔ OLP مضاربہ میں ہمارا یقین ہے کہ اعلیٰ کارکردگی صرف زیادہ منافع پیدا کرنے کا نام نہیں بلکہ ہماری اقدار پر عمل پیرا ہونے کا نام بھی ہے۔ اس سال اسٹاف کے لیے اندرونِ ادارہ Wellness Week کا اہتمام کیا گیا تاکہ صحت مند ورک لائف بیلنس کو فروغ دیا جاسکے اور ان کی جذباتی، ذہنی اور جسمانی بہبود میں بہتری لائی جاسکے۔ اس ہفتے میں Nutritional Hour، Literacy Hour، Meditation Session، Environmental & Social Hour اور Physical Hour شامل تھے۔

سال کے دوران بورڈ رسک کمیٹی کا ایک (01) اجلاس منعقد ہوا، جس میں اس وقت تمام اراکین نے شرکت کی:

ڈائریکٹر کا نام	منعقدہ اجلاسوں میں حاضری
میاں فیصل ریاض	01
راحیل قمر احمد	01
نوشیروان عادل	01
رامن الفری	01

9۔ بورڈ اور اس کی کمیٹیوں کا موجودہ ڈھانچہ

ڈائریکٹرز کی کل تعداد 07 ہے، جو درج ذیل ہے:

الف۔ مرد: 06

ب۔ خواتین: 01

بورڈ اور اس کی کمیٹیوں کی تشکیل حسبِ ذیل ہے

بورڈ کے اراکین کے نام	کمیٹیوں میں اراکین	درجہ بندی
جناب شاہین امین	چیئرمین رسک کمیٹی اور رکن ایچ آر اینڈ آر کمیٹی	نان ایگزیکٹیو ڈائریکٹر
جناب امن الفری	آڈٹ کمیٹی کے رکن، رسک کمیٹی کے رکن اور ایچ آر اینڈ آر کمیٹی کے رکن	نان ایگزیکٹیو ڈائریکٹر
میاں فضل ریاض	رسک کمیٹی اور آڈٹ کمیٹی رکن	نان ایگزیکٹیو ڈائریکٹر
محترمہ نوشین اقبال		نان ایگزیکٹیو ڈائریکٹر
جناب یعقوب ستار	چیئرمین آڈٹ کمیٹی	آزاد ڈائریکٹر
جناب احمد کمال	چیئرمین ایچ آر اینڈ آر کمیٹی	آزاد ڈائریکٹر
جناب وقاص احمد خواجہ*	رسک اور HR&R کمیٹی کے رکن	ایگزیکٹیو ڈائریکٹر

30 جون 2026 کو ختم ہونے والے سال کی ڈائریکٹرز رپورٹ کے بعد اوایل پی سروسز پاکستان (پرائیویٹ) لمیٹڈ (OSPL)، جو اوایل پی مضاربہ (OLPM) کی مینجمنٹ کمپنی ہے، کے بورڈ آف ڈائریکٹرز میں درج ذیل تبدیلیاں ہوئی ہیں:

8 مئی 2026 کو اوایل پی سروسز پاکستان (پرائیویٹ) لمیٹڈ، جو اوایل پی مضاربہ کی مینجمنٹ کمپنی ہے، نے آئندہ تین سال کی مدت کے لیے اپنے بورڈ آف ڈائریکٹرز کے انتخابات منعقد کیے، جن کی مؤثر تاریخ 9 مئی 2026 تھی۔ انتخابات میں جناب شاہین امین، جناب وقاص احمد خواجہ، محترمہ نوشین اقبال، جناب یعقوب ستار اور جناب احمد کمال نے سبکدوش / مستعفی ہونے والے ڈائریکٹرز جناب نوید کامران بلوچ، جناب راحیل قمر احمد، محترمہ نائلہ حسن، جناب نوشیروان عادل اور جناب ندیم ڈی خان کی جگہ بورڈ میں شمولیت اختیار کی۔

جناب راحیل قمر احمد سی ای او / مینیجنگ ڈائریکٹر کے عہدے سے سبکدوش ہوئے اور جناب وقاص احمد خواجہ کو نئے سی ای او / مینیجنگ ڈائریکٹر کے طور پر مقرر کیا گیا۔ بورڈ جناب راحیل قمر احمد کی قیمتی خدمات اور طویل قیادت کے کردار کو سراہتے ہوئے ریکارڈ پر اپنی قدردانی درج کرتا ہے اور جناب وقاص احمد خواجہ کو خوش آمدید کہتا ہے۔

- گزشتہ چھ سال کے اہم آپریٹنگ اور مالیاتی اعداد و شمار خلاصہ شکل میں اس سالانہ رپورٹ میں شامل ہیں۔
- 30 جون 2026 تک ٹیکسز، ڈیوٹیز، لیویز اور چارجز کے حوالے سے کوئی قانونی ادائیگیاں واجب الادا نہیں ہیں، سوائے ان کے جو مالیاتی گوشواروں میں ظاہر کی گئی ہیں۔

8۔ بورڈ آف ڈائریکٹرز کے اجلاس اور حاضری

سال کے دوران بورڈ آف ڈائریکٹرز کے آٹھ (08) اجلاس منعقد ہوئے۔ پاکستان سے باہر بورڈ کا کوئی اجلاس منعقد نہیں ہوا۔ ہر ڈائریکٹر کی حاضری حسبِ ذیل ہے:

ڈائریکٹر کا نام	منعقدہ اجلاسوں میں حاضری
شاہین امین	01
نوید کامران بلوچ	05
راحیل قمر احمد	07
رامن الفری	08
میاں فیصل ریاض	08
نوشیروان عادل	07
ندیم ڈی خان	07
نائلہ حسن	07
یعقوب ستار	01
احمد کمال	01
وقاص احمد خواجہ	01
نوشین اقبال	01

سال کے دوران آڈٹ کمیٹی کے چھ (06) اجلاس منعقد ہوئے۔ ہر رکن کی حاضری حسبِ ذیل تھی:

ڈائریکٹر کا نام	منعقدہ اجلاسوں میں حاضری
نوشیروان عادل	06
میاں فیصل ریاض	06
رامن الفری	06

سال کے دوران ہیومن ریسورس اینڈ ریمیونریشن کمیٹی کا ایک (01) اجلاس منعقد ہوا، جس میں اسٹاف فوائد میں نظر ثانی کو حتمی شکل دینے اور سالانہ اسٹاف کل معاوضے کی سفارش پر غور کیا گیا، اور اس وقت تمام اراکین نے اجلاس میں شرکت کی:

ڈائریکٹر کا نام	منعقدہ اجلاسوں میں حاضری
نائلہ حسن	01
رامن الفری	01
راحیل قمر احمد	01

4۔ ESG کے تزویراتی مقاصد

OLPM کے بورڈ نے پائیداری کے حوالے سے جامع اور مربوط طریقہ کار اختیار کیا ہے۔ ہم نے ایک مضبوط ESG فریم ورک قائم کیا ہے جو عالمی بہترین طریقہ کار سے ہم آہنگ ہے اور اس بات کو یقینی بناتا ہے کہ پائیداری سے متعلق امور ہمارے کاروبار کے ہر پہلو میں شامل ہوں۔

ماحولیاتی ذمہ داری: ہم اپنے ماحولیاتی اثرات کو کم کرنے اور پائیدار فنانسنگ کے طریقوں کو فروغ دینے کے لیے پر عزم ہیں۔ اس میں کاغذ کے استعمال کو کم کرنا، توانائی کی بچت کرنے والی ٹیکنالوجیز اپنانا اور ہمارے کریڈٹ ریویو کے عمل میں ماحولیاتی خطرات کے جائزوں کو شامل کرنا شامل ہے۔

سماجی ذمہ داری: ہم ایک جامع اور مساوی کام کی جگہ پیدا کرنے، کمیونٹی کی ترقی میں معاونت اور مالیاتی شمولیت کو فروغ دینے کے لیے کوشاں ہیں۔ ہماری کاوشیں ملازمین کو بااختیار بنانے، تنوع و شمولیت اور کمیونٹی سے روابط پر مرکوز ہیں۔

گورننس: ہم شفافیت، جوابدہی اور اخلاقی طرزِ عمل کے اعلیٰ ترین معیارات برقرار رکھتے ہیں۔ ہمارا گورننس فریم ورک اس بات کو یقینی بناتا ہے کہ ہم دیانت داری کے ساتھ اور اپنے اسٹیک ہولڈرز کے بہترین مفاد میں کام کریں۔

5۔ شیئر ہولڈنگ کا نمونہ

مضاربہ کے سرٹیفکیٹس پاکستان اسٹاک ایکسچینج لمیٹڈ میں ٹریڈ ہوتے ہیں۔ 30 جون 2026 تک سرٹیفکیٹ ہولڈنگ کی معلومات سالانہ رپورٹ کے متعلقہ حصے میں فراہم کی گئی ہیں۔ ڈائریکٹرز، CEO، CFO / کمپنی سیکریٹری، ہیڈ آف انٹرنل آڈٹ اور ان کے شریک حیات / نابالغ بچوں نے سال کے دوران مضاربہ کے سرٹیفکیٹس میں کوئی لین دین نہیں کیا، سوائے ان لین دین کے جو پہلے ہی ریگولیٹری اداروں کو ظاہر کیے جا چکے ہیں اور شیئر ہولڈنگ کے نمونے میں شامل ہیں۔

6۔ منافع کی تقسیم

بورڈ نے 15 ستمبر 2026 کو منعقدہ اپنے اجلاس میں 30 جون 2026 کو ختم ہونے والے سال کے لیے فی 10 روپے مالیت کے سرٹیفکیٹ پر 2.5 روپے (25%) منافع کی تقسیم کی منظوری دی ہے، جو قابلِ اطلاق صورت میں زکوٰۃ اور ماخذ پر ٹیکس کی کٹوتی سے مشروط ہے۔

7۔ کارپوریٹ اور مالیاتی رپورٹنگ کا فریم ورک

- مضاربہ کی انتظامیہ کی جانب سے تیار کردہ مالیاتی گوشوارے اس کے امور کی حالت، اس کی کارروائیوں کے نتائج، نقد بہاؤ اور ایکویٹی میں تبدیلیوں کو منصفانہ طور پر پیش کرتے ہیں۔
- مضاربہ کے اکاؤنٹس کی مناسب کتابیں برقرار رکھی گئی ہیں۔
- مالیاتی گوشواروں کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کا مستقل اطلاق کیا گیا ہے۔ استعمال شدہ اکاؤنٹنگ تخمینے معقول اور محتاط فیصلے پر مبنی ہیں۔
- بین الاقوامی مالیاتی رپورٹنگ کے معیارات، جہاں تک پاکستان میں مضاربہ پر قابلِ اطلاق ہیں، مالیاتی گوشواروں کی تیاری میں اختیار کیے گئے ہیں اور ان سے کسی بھی انحراف کو مناسب طور پر ظاہر کیا گیا ہے۔
- داخلی کنٹرول کا نظام، جو نافذ العمل ہے، ڈیزائن کے لحاظ سے مضبوط ہے اور اسے مؤثر طور پر نافذ اور مانیٹر کیا گیا ہے۔
- مضاربہ کے بطور Going Concern جاری رہنے کی صلاحیت کے بارے میں کوئی شک نہیں ہے۔
- لسٹنگ ریگولیشنز میں بیان کردہ کارپوریٹ گورننس کے بہترین طریقوں سے کوئی اہم انحراف نہیں ہوا۔

اللہ تعالیٰ کے فضل و کرم سے، 30 جون 2026 کو ختم ہونے والے سال کے دوران آپ کی مضاربہ نے اپنی آپریٹنگ اور مالیاتی کارکردگی میں ثابت قدمی برقرار رکھی۔ مشکل ماحول کے باوجود، مضاربہ نے وسائل کے محتاط انتظام اور مؤثر لاگت پر قابو پانے کے اقدامات کا مظاہرہ کیا۔

مجموعی مارجن (مالیاتی چارجز اور اجارہ اثاثوں کی فرسودگی کے بعد آمدنی) گزشتہ سال کے 528.09 ملین روپے کے مقابلے میں 6.32 فیصد بڑھ کر 561.49 ملین روپے ہو گیا۔ اگرچہ مجموعی آمدنی (اجارہ اثاثوں کی فرسودگی کے بعد) سال کے دوران بینچ مارک ریٹس (KIBOR) میں نمایاں کمی کے باعث گزشتہ سال کے 1,483.45 ملین روپے کے مقابلے میں 14.96 فیصد کم ہو کر 1,261.49 ملین روپے رہی، تاہم مؤثر لیکویڈیٹی مینجمنٹ طریقہ کار اور بینچ مارک ریٹس میں کمی کے مطابق مالیاتی اور دیگر چارجز بھی نمایاں طور پر 26.73 فیصد کم ہو کر 955.36 ملین روپے سے 700.00 ملین روپے ہو گئے۔

انتظامی اور آپریٹنگ اخراجات میں مارکیٹ میں نمایاں افراط زر کے دباؤ اور انسانی وسائل کی لاگت میں اضافے کے باوجود صرف 2.31 فیصد اضافہ ہوا اور یہ 274.44 ملین روپے سے بڑھ کر 280.78 ملین روپے ہو گئے۔ یہ مضاربہ کے مضبوط لاگت نظم وضبط اور افراط زر کی شرح سے کافی کم سطح پر اخراجات کو قابو میں رکھنے کی صلاحیت کی عکاسی کرتا ہے۔ ہمارے محتاط طریقہ کار کے باعث زیر جائزہ سال کے دوران 37.92 ملین روپے کی خالص پروویژن، بنیادی طور پر ایک صارف کی درجہ بندی میں موضوعی طور پر کمی کے باعث، چارج کی گئی۔ دیگر آمدنی گزشتہ سال کے 90.20 ملین روپے کے مقابلے میں 58.71 فیصد کم ہو کر 37.24 ملین روپے رہی، جس کی بنیادی وجہ اجارہ اثاثوں کی فروخت پر حاصل ہونے والے منافع میں کمی تھی کیونکہ گزشتہ سال متعدد اجارہ معاہدے قبل از وقت ختم ہو گئے تھے۔ نتیجتاً، انکم ٹیکس اور لیوی سے قبل منافع گزشتہ سال کے 252.41 ملین روپے کے مقابلے میں 3.78 فیصد کم ہو کر 242.87 ملین روپے ہو گیا، جبکہ مدت کے لیے خالص منافع گزشتہ سال کے 174.08 ملین روپے کے مقابلے میں 7.68 فیصد کم ہو کر 160.71 ملین روپے رہا۔

بیلنس شیٹ کے لحاظ سے، کل اثاثے 4.70 فیصد کم ہو کر 8,873.73 ملین روپے سے 8,456.51 ملین روپے ہو گئے، جس کی بنیادی وجہ اجارہ فنانس میں کم سرمایہ کاری تھی۔ ڈمنشنگ مشارکہ کے پورٹ فولیو میں مسلسل اضافہ ہوا اور یہ 3.83 فیصد بڑھ کر 6,869.50 ملین روپے سے 7,132.46 ملین روپے ہو گیا، جبکہ اجارہ اثاثے 736.74 ملین روپے سے نمایاں طور پر کم ہو کر 324.02 ملین روپے رہ گئے، جو 56.02 فیصد کمی ہے۔ یہ اثاثوں کی تقسیم کو ڈمنشنگ مشارکہ کی جانب منتقل کرنے کی مضاربہ کی مسلسل حکمت عملی کی عکاسی کرتا ہے۔

ہماری کاروباری حکمت عملی منتخب صارفین کے ساتھ مضبوط تعلقات قائم کرنے اور معتبر ناموں کے ساتھ شراکت داری شروع کرنے پر مرکوز ہے۔ اثاثوں کے پورٹ فولیو میں کثیر القومی کمپنیوں، مقامی کارپوریٹس اور محتاط طور پر منتخب کردہ SMEs کا متوازن امتزاج شامل ہے۔

رسک مینجمنٹ بدستور اولین ترجیح ہے، جس کے تحت فنانسنگ کی منظوری سے قبل ہر صارف کا مکمل جائزہ لیا جاتا ہے اور تعلق کے پورے عرصے کے دوران مسلسل نگرانی کی جاتی ہے۔ مخصوص پورٹ فولیو مینجمنٹ اور ارلی الرٹ کمیٹیاں ابھرتے ہوئے خطرات کی بروقت نشاندہی اور ان کے جواب کو یقینی بناتی ہیں۔

یہ نتائج مضاربہ کی معیاری اثاثے بنانے، مالیاتی نظم وضبط برقرار رکھنے اور خطرات کو مؤثر طریقے سے منظم کرنے پر مسلسل توجہ کی عکاسی کرتے ہیں۔ انتظامیہ پائیدار ترقی اور اسٹیک ہولڈرز کے لیے طویل مدتی قدر پیدا کرنے کے عزم پر قائم ہے۔

3۔ پائیداری

OLP مضاربہ میں ہمارا یقین ہے کہ ترقی صرف مالیاتی نمو کا نام نہیں بلکہ ماحول، معاشرے اور گورننس پر مثبت اثرات مرتب کرنا بھی ہے۔ پاکستان کی ایک معروف مضاربہ کی حیثیت سے، ہم ماحولیاتی، سماجی اور گورننس (ESG) کے اصولوں کو اپنی کارروائیوں کے ہر پہلو میں شامل کرنے کے لیے پرعزم ہیں۔ یہ رپورٹ ان شعبوں میں ہماری کوششوں، کامیابیوں اور مستقبل کے عزم کو بیان کرتی ہے، جو پائیدار اور ذمہ دارانہ فنانسنگ کے طریقہ کار سے ہماری وابستگی کی عکاسی کرتا ہے۔

ہماری بنیادی توجہ اس بات کو یقینی بنانا ہے کہ ہماری کارروائیاں ماحولیاتی طور پر پائیدار، سماجی طور پر ذمہ دار اور شفافیت و جوابدہی کے اعلیٰ ترین معیارات کے مطابق گورن کی جائیں۔ ایک اسلامی فنانسنگ ادارے کی حیثیت سے، ہم مالیاتی نظام میں اپنے منفرد کردار کو تسلیم کرتے ہیں اور اس پوزیشن کو مثبت تبدیلی کے لیے بروئے کار لانے کے لیے پرعزم ہیں۔ اس میں اپنے ماحولیاتی اثرات کو کم کرنا، سماجی بہبود کو فروغ دینا اور مضبوط گورننس کے طریقوں کو برقرار رکھنا شامل ہے۔

2۔ آپریٹنگ نتائج اور کاروباری جائزہ

	30جون2026 (روپے'000')	30جون2025 (روپے'000')
بیلنس شیٹ		
سرٹیفکیٹ کیپٹل	453,835	453,835
کل ایکویٹی	1,374,149	1,326,902
اجارہ فنانس اور اجارہ اثاثوں میں سرمایہ کاری	324,023	736,742
ڈمنشنگ مشارکہ میں سرمایہ کاری	7,132,461	6,869,497
قابلِ واپسی کیپٹل	5,439,987	5,682,549
کل اثاثے	8,456,511	8,873,727
منافع اور خسارہ		
آمدنی (اجارہ اثاثوں کی فرسودگی کے بعد)	1,298,733	1,573,649
مالیاتی چارجز	700,000	955,358
سال کے لیے خراب قرضوں کی پرویژنز	37,924	52,814
آپریٹنگ اخراجات	280,780	274,444
مینجمنٹ فیس سے قبل منافع	280,029	291,033
لیوی اور ٹیکسیشن سے قبل منافع	242,869	252,413
خالص منافع	160,705	174,077
مختص شدہ منافع		
سال کا خالص منافع	160,705	174,077
اضافہ: گزشتہ سال سے غیر مختص شدہ منافع	180,720	120,102
تقسیم کے لیے دستیاب منافع	341,425	294,179
منافع کی تقسیم @ 25% (2025:@25%)	113,459	113,459
آئندہ سال منتقل کیا گیا غیر مختص شدہ منافع:	227,966	180,720
فی سرٹیفکیٹ آمدنی	3.54	3.84

مضاربہ کمپنی کے ڈائریکٹرز کی 30 جون 2026ء کو اختتام پذیر ہونے والے سال کے لئے تینتالیسویں رپورٹ

OLP سروسز پاکستان (پرائیویٹ) لمیٹڈ (OSPL) کے بورڈ آف ڈائریکٹرز، جو OLP مضاربہ (OLPM) کی مینجمنٹ کمپنی ہے، OLP مضاربہ کی تینتالیسویں ڈائریکٹرز رپورٹ، 30 جون 2026 کو ختم ہونے والے سال کے آڈٹ شدہ مالیاتی گوشواروں اور ان پر آڈیٹرز کی رپورٹ کے ہمراہ پیش کرتے ہوئے مسرت محسوس کرتے ہیں۔

1۔ معیشت

مالی سال 2026 کے دوران پاکستان کی معیشت کی بحالی کا عمل جاری رہا، اور سال کی پہلی ششماہی میں حقیقی مجموعی ملکی پیداوار (GDP) کی شرح نمو گزشتہ سال کی اسی مدت میں 1.9 فیصد کے مقابلے میں بڑھ کر 3.8 فیصد ہوگئی۔ اس بہتری میں بڑے پیمانے کی صنعت کاری میں وسیع البنیاد بحالی نے اہم کردار ادا کیا، جو مالی سال 2026 کے جولائی تا فروری کے دوران 5.9 فیصد بڑھی، جبکہ زراعت اور خدمات کے شعبوں میں بھی رفتار برقرار رہی۔ سال کی دوسری ششماہی میں مشرق وسطیٰ کے تنازع میں اضافے نے بیرونی طلب کو متاثر کیا اور عالمی توانائی کی قیمتوں میں اضافہ کیا، جس کے باعث نمو میں کمی آئی؛ مالی سال 2026 کے پورے سال کے لیے عارضی تخمینوں کے مطابق GDP کی شرح نمو 3.7 فیصد رہی۔

بیرونی شعبے کے حوالے سے، مالی سال 2026 کے جولائی تا مارچ کے دوران جاری کھاتے میں فاضل رقم ریکارڈ ہوئی، جبکہ چار سال سے زائد عرصے کے وقفے کے بعد یورو بانڈز کے اجرا کے ذریعے پاکستان کی بین الاقوامی کیپٹل مارکیٹوں میں واپسی نے بھی صورتحال کو مزید مضبوط کیا۔ سال کے اختتام تک زرمبادلہ کے ذخائر تقریباً 18.5 ارب امریکی ڈالر تک پہنچ گئے، جنہیں IMF کی جانب سے جاری رقوم اور کارکنوں کی ریکارڈ ترسیلاتِ زر، جو 41.6 ارب امریکی ڈالر رہیں اور سال بہ سال 8.6 فیصد بڑھیں، سے تقویت ملی۔ یہ پہلی مرتبہ تھا کہ کارکنوں کی ترسیلاتِ زر ملک کی مجموعی برآمدی آمدنی سے تجاوز کر گئیں۔ تاہم، پورے سال کے دوران درآمدات میں اضافے، جس میں اشیاء اور خدمات کی درآمدات 76.39 ارب امریکی ڈالر تک بڑھیں، نے تقریباً مستحکم برآمدی کارکردگی، جو صرف 0.2 فیصد بڑھ کر 40.88 ارب امریکی ڈالر ہوئی، کو پیچھے چھوڑ دیا، جس کے نتیجے میں جاری کھاتہ 139 ملین امریکی ڈالر کے معمولی خسارے میں چلا گیا۔

گزشتہ دو سالوں کے دوران مجموعی طور پر 1,150 بیسس پوائنٹس کمی کے بعد، مالی سال 2026 کی دوسری ششماہی کے بیشتر عرصے میں پالیسی ریٹ 10.5 فیصد پر برقرار رہا، کیونکہ مشرق وسطیٰ کے تنازع کے آغاز نے عالمی ایندھن کی فراہمی کو متاثر کیا اور مال برداری اور بیمہ کے اخراجات میں اضافہ کیا۔ مسلسل مالیاتی نظم وضبط اور بیرونی مالیاتی ذخائر میں اضافے نے پاکستان کو ماضی میں ایسے ہی حالات کے مقابلے میں اس جھٹکے کو برداشت کرنے کے لیے بہتر پوزیشن میں رکھا۔ مالی سال 2026 کے بیشتر عرصے میں عمومی افراطِ زر 5 فیصد تا 7 فیصد کے ہدفی دائرے میں رہا، تاہم مون سون کی سیلابی صورتحال، جس کے باعث سال کے دوران اندازاً 30 لاکھ افراد بے گھر ہوئے، نے بعض مہینوں میں غذائی اشیاء کی قیمتوں پر اضافی دباؤ ڈالا۔

کثیر الجہتی سطح پر، 27 مارچ 2026 کو IMF کے ساتھ 37 ماہ کے Extended Fund Facility (EFF) کے تیسرے جائزے اور 28 ماہ کے Resilience and Sustainability Facility (RSF) کے دوسرے جائزے کے لیے اسٹاف لیول معاہدہ طے پایا۔ RSF کا جائزہ مئی 2026 میں مکمل ہوا، جس کے نتیجے میں تقریباً 1.3 ارب امریکی ڈالر کی مزید قسط جاری ہوئی اور دونوں پروگراموں کے تحت مجموعی رقوم تقریباً 4.8 ارب امریکی ڈالر تک پہنچ گئیں۔ پروگرام پر عمل درآمد نے میکرو اکنامک استحکام اور مالیاتی و بیرونی ذخائر کی تعمیرِ نو میں معاونت جاری رکھی، جبکہ حکومت مالی سال 2026 کے لیے GDP کے 1.6 فیصد کے بنیادی مالیاتی فاضل ہدف کے حصول کی راہ پر گامزن رہی۔ بہتر بنیادی معاشی عوامل کی عکاسی کرتے ہوئے، پاکستان کی طویل مدتی خود مختار کریڈٹ ریٹنگ جولائی 2026 میں 'B-' سے بڑھا کر 'B' کر دی گئی، جو 2016 کے بعد بلند ترین سطح ہے۔ تاہم، مشرق وسطیٰ کے تنازع نے مالی سال 2027 کے منظر نامے میں نئی غیر یقینی صورتحال پیدا کر دی ہے، جس کے باعث شرح نمو کے تخمینے کم اور افراطِ زر کی پیش گوئیوں میں اضافہ کیا گیا ہے۔ آئندہ استحکام کے تحفظ کے لیے مسلسل مالیاتی استحکام، توانائی کے شعبے میں اصلاحات اور برآمدات کی پائیدار بحالی اہم رہیں گی۔

THE CHAIRMAN AND CEO ROLE

Chairman of the Board – Role and Responsibilities

The Chairman of the Board serves as the strategic leader and governance steward of OLPM's Board of Directors, ensuring that the Board operates with integrity, effectiveness, and alignment to the organization's long-term vision. The Chairman's role is pivotal in fostering a high-performing Board culture and enabling sound decision-making across all levels.

Key responsibilities include:

Board Composition & Capability: Oversees the structure, diversity, and competency of the Board to ensure it remains fit for purpose and aligned with OLPM's strategic needs.

Leadership & Governance: Provides effective leadership to the Board, ensuring robust governance practices and adherence to regulatory and fiduciary responsibilities.

Meeting Stewardship: Ensures Board and Committee meetings are focused, well-structured, and conducive to open dialogue, constructive challenge, and consensus-building.

Executive Collaboration: Maintains regular engagement with the Chief Executive, offering strategic counsel, support, and oversight while respecting executive autonomy.

Agenda Planning: Works closely with the Chief Executive and Company Secretary to develop and maintain a forward-looking 12-month Board agenda aligned with strategic priorities.

Performance Evaluation: Leads the formal assessment of Board effectiveness, including individual Director contributions, and drives continuous improvement in governance standards.

The Chairman plays a critical role in upholding OLPM's values, ensuring strategic alignment, and maintaining stakeholder confidence through transparent and accountable Board leadership.

> "A clear division of responsibilities is important for the effective working of the Board and to ensure that no one individual has unfettered power of decision. The Chairman and Chief Executive work together to provide effective and complementary stewardship. The Chief Executive operates within clearly defined limits of authority delegated by the Board and any matters outside these limits are referred to the Board for consideration."

Chief Executive Officer – Role and Responsibilities

The Chief Executive Officer (CEO) of OLPM serves as the strategic and operational leader, responsible for translating the Board's vision into actionable plans and delivering sustainable performance across the Modaraba's business. The CEO is accountable for day-to-day management, long-term value creation, and upholding OLPM's commitment to Shariah-compliant financial excellence.

Key responsibilities include:

Leadership & Culture: Provides effective leadership to the OLPM team, fostering a high-performance culture rooted in integrity, collaboration, and Islamic values.

Strategic Execution: Drives the implementation of Board-approved strategies, ensuring alignment with OLPM's financial, operational, and ethical objectives.

Growth & Value Creation: Identifies and evaluates strategic opportunities to enhance shareholder value and expand OLPM's market presence.

Operational Oversight: Oversees the development and execution of operating plans and budgets to achieve short- and long-term goals.

Capital & Risk Management: Works closely with the Chief Financial Officer to maintain an optimal capital structure, robust risk management framework, and sound internal controls.

Talent & Succession Planning: Reviews and implements HR policies and succession strategies to build organizational capacity and leadership continuity.

Industry Representation: Acts as a thought leader and industry representative, engaging regularly with regulators such as SECP and contributing to sector-wide dialogue.

Ethical Stewardship: Sets the ethical tone for the organization, promoting principled leadership and a values-driven environment.

Stakeholder Engagement: Ensures effective communication and relationship management with clients, investors, regulators, and other key stakeholders.

Performance & Sustainability: Delivers consistent operational performance against targets, while driving continuous improvement in safety, sustainability, and service quality.

The CEO plays a pivotal role in steering OLPM's strategic direction, ensuring operational excellence, and reinforcing stakeholder confidence in a dynamic financial landscape.

Composition of Board Committees

The Board of Directors comprises of seven (07) Directors out of which six (06) are Non-Executive including two (02) are Independent Directors. The Chairman of the Board is a Non-Executive Director. The roles of Chairman and the CEO have been segregated and responsibilities have been clearly defined. The CEO is responsible for operations of the Modaraba, whereas the Board, under the Chairman, performs oversight.

The Board has established following committees:

1. Board Audit Committee;
2. Human Resource & Remuneration (HR&R) Committee; and
3. Board Risk Committee.

TERMS OF REFERENCE



BOARD AUDIT COMMITEE

1. To review, monitor and recommend for approval the statutory accounts of the Company, published financial statements of Modaraba for issuance to its certificate holders and other stakeholders including Stock Exchange and regulatory authorities, including appropriateness and completeness of significant financial reporting judgements contained in them. In particular:

   (a) To consider the quality, application and acceptability of the accounting policies and practices, the adequacy of accounting records and financial and governance reporting disclosures and changes thereto.

   (b) To consider recommendations of management in respect of provisions for bad and doubtful debts and for any other provisions for losses and charges.

   (c) Significant adjustments resulting from the audit.

   (d) Going concern assumption.

   (e) Any changes in accounting policies and practices.

   (f) Compliance with applicable accounting standards; Sub clause 4(ii)(e) of Regulation 27.

   (g) Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 and other statutory/regulatory requirements and identification of significant violations thereof.

   (h) All related party transactions.

2. To keep under review the appropriateness of the accounting policies and to consider changes to these.

3. To review the preliminary announcements of results prior to external communication and publication.

4. To facilitate the external audit and discuss with external auditors major observations arising from interim and final audits and any matter that the auditors may wish to highlight (in the absence of management, where necessary).

5. To ascertain that the internal control systems including financial and operational controls, accounting systems for timely and appropriate recording of purchases and sales, receipts and payments, assets and liabilities and the reporting structure are adequate and effective.

6. To review the company's statement on internal control systems prior to

endorsement by the Board of Directors and internal audit reports.

7. To institute special projects, value for money studies or other investigations on any matter specified by the Board of Directors, in consultation with the Chief Executive Officer and to consider remittance of any matter to the external auditors or to any other external body.

8. To review arrangements for staff and management to report to the audit committee in confidence, raise concerns, if any, about actual or potential improprieties in financial and other matters and recommend instituting remedial and mitigating measures. The Audit Committee shall ensure that arrangements are in place for the proportionate and independent investigation of such matters and appropriate follow-up action.

9. To review details of all related party transactions (other than those involving Directors which will be placed before the Board of Directors) and recommend the same to the Board of Directors for review and approval.

10. In relation to the accounting and financial reporting function:

    (a) To ensure that the accounting and financial reporting function is adequately resourced.

    (b) To review the qualifications and experience of reporting accountants appointed and their training programmes and budget.

11. In relation to the internal audit function:

    (a) To review the scope and extent of internal audit, audit plan, reporting framework and procedures and ensuring that the internal audit function has adequate resources and is appropriately placed.

    (b) To review and monitor management's responsiveness to the internal auditor's findings and recommendations.

    (c) To monitor and assess the role and effectiveness of the internal audit function and to receive reports from the Head of Internal Audit on these matters.

    (d) To consider major findings of internal investigations of activities characterized by fraud, corruption and abuse of power and management's response thereto.

    (e) To consider the appointment, resignation or removal of the Head of Internal Audit.

12. In relation to the external auditors:

    (a) To consider and make recommendations to the Board, on their appointment, re-appointment, resignation or removal which will be put to shareholders for approval in the Annual Review Meeting and in the case of Modaraba, for approval in the meeting of the Board.

    (b) To approve the terms of engagement or delegate the same for approval by the CEO, the nature and scope of their audit and the effectiveness of the audit process.

    (c) To review the management letter and management's response to the auditor's findings and recommendations.

    (d) To review the independence and objectivity of the external auditors and to develop and implement policy on the engagement of the external auditor to supply non-audit services, taking into account relevant ethical guidance regarding the provision of non-audit services by the external audit firm.

    (e) Agree on the adequacy of employment with Modaraba of former employees of the external auditor.

    (f) To ensure coordination between the internal and external auditors.

    (g) To review the findings of their audit

including any major issues that arose during the course of the audit that have subsequently been resolved and any unresolved audit issues. To consider key accounting and audit judgments, the level of errors identified during the audit, obtain explanations from management, and, where necessary, the external auditors as to why audit differences remain unadjusted.

(h) To review and monitor the cost-effectiveness of the audit taking into consideration relevant professional and regulatory requirements and to recommend the approval of audit fee and the provision of any service permissible to be rendered to the Modaraba by the external auditors in addition to the audit of its financial statements, measures for redressal and rectification of non-compliance with the Regulations.

13. To consider the adequacy of disclosures in the annual report including:

(a) The role of the Committee, its activities and how it has discharged its responsibilities, membership of the Committee, number of Committee meetings, attendance over the course of the year and whether or not external advice was taken and its source.

(b) The explanation in the annual report on how auditors' independence and objectivity has been safeguarded in the event of the external auditors providing non-audit services, if required under the local laws.

(c) Any findings and other matters arising from the external auditors' half yearly and final audits.

14. To consider the annual report and discuss any findings and other matters arising from the external auditors' interim and final audits.

15. To determine appropriate measures to safeguard the company's assets.

16. To consider reports, review and approve impairment provisioning on a case to case basis.

17. To review reports from the Head of Compliance and Assurance on the arrangements established by management for ensuring adherence to internal compliance policies, procedures and codes and relevant regulatory and legal requirements and identification of significant violations thereof.

18. To report to the Board on its consideration of the above matters, identifying those areas where action or improvement is needed, and making recommendations as appropriate.

19. To consider and examine such other matters as the Board requires, the Committee considers appropriate, or which are brought to its attention and to make recommendations or reports to the Board as appropriate.

20. To report any unresolved issues between the Committee and the Board as part of its disclosure on its responsibilities in the annual report.

21. For the Chairperson of the "Committee" to attend the Annual Review Meeting of the Modaraba and answer any questions, on the Committee's activities and its responsibilities.

22. To give due consideration to laws, regulations and the requirements of the Code of Corporate Governance and Listing Rules as appropriate.

23. To review these Terms of Reference once in three years and recommend any changes to it.

24. To ensure that minutes of meetings of the Audit Committee are sent to all directors, the head of internal audit and where required to Chief Financial Officer prior to the next meeting of the Board. However, where this is not practical, the Chairperson of the audit committee shall communicate a synopsis of the proceedings to the Board.

Human Resource & Remuneration (HR&R) Committee

The Committee shall maintain high levels of good governance on all remuneration related matters, in line with prevailing international best practices, as well as any specific regulatory directives in Pakistan.

The Committee shall:

1. Recommend Human Resources related policies to the Board, to the extent required.

2. Recommend to the board for consideration and approval a policy framework for determining the remuneration of directors (both executive and non-executive directors).

3. Make recommendations to the Board on the selection, evaluation, and compensation (including salary, performance award, and end of service benefits) of, Chief Financial Officer, Head of Internal Audit, and Company Secretary.

4. Review and recommend to the Board on the selection, evaluation and compensation (including performance ratings, salary, performance award, and end of service benefits) of the CEO.

5. Review and recommend to the Board the Company's succession plan for the CEO and other statutory position.

7. Review the ongoing appropriateness and relevance of remuneration related policies.

8. Review the terms of reference of the Committee at least every three years and propose any changes it considers necessary to the Board for approval.

9. Make recommendations to the Board on the appointment of a new committee member in case a member resigns from the committee. However, it will be the sole discretion of the Board to appoint any new member.

10. Where human resource and remuneration consultants are appointed, their credentials shall be known by the committee and a statement shall be made by them as to whether they have any other connection with the Company.

11. Undertake annually a formal process of evaluation of the performance of the board as a whole and its committees either directly or by engaging external independent consultant and if so appointed, a statement to that effect shall be made in the directors' report disclosing name, qualifications and major terms of appointment.

Reporting Responsibilities

1. Report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.

2. Ensure that the names of the members of the committee shall be disclosed in each Annual Report.

Board Risk Committee

The responsibilities of the BRC shall be:

1. Set the risk appetite of the Modaraba.

2. Ensure the design and implementation of appropriate risk management and internal control systems that identify the risks facing the Modaraba and enable the Board to make a robust assessment of the principal risks.

3. Determine the nature and extent of principal risks faced by the OLPM and those risks which the Modaraba is willing to take in the achievement of its strategic objectives.

4. Ensure that necessary steps are taken to foster an enterprise-wide culture that supports appropriate risk awareness, behaviours, and judgments about risk and that ensures that risk-taking beyond the Modaraba's determined risk appetite is recognized and appropriately escalated and timely addressed.

5. Determine how the principal risks should be managed or mitigated to reduce the likelihood of their occurrence or their impact.

6. Ensure that the risk management policies and procedures designed and implemented by the OLPM are consistent with the Modaraba's strategy and risk appetite.

7. Ensure that risk management policies and procedures are functioning as directed, by monitoring the Modaraba's risk management and internal control systems and the management's process of monitoring and reviewing, and ensure that these are functioning effectively and that corrective action is being taken where necessary.

8. Ensure the existence of sound internal and external information and communication processes.

9. Ensure that emerging and inter-related risks are also considered in the risk management process by Management.

10. At least on annual basis, perform an overall review of business risks to ensure that Management maintains a sound system of risk identification, risk management and related systemic and internal controls to safeguard assets, resources, reputation and interest of the Modaraba and certificate holders.

11. Periodically assess the Board's risk oversight processes to ensure that these enable the Board to achieve its risk oversight objectives.

12. Ensure appropriate disclosure of the Modaraba's risk framework and internal control system in the Directors Report.

13. Ensure that risk mitigation measures are robust and integrity of financial information is ensured.

14. Monitor and review all material controls (financial, operational, compliance).

Reporting

1. The Committee shall review its terms of reference every three year and recommend any necessary changes to the Board.

2. The Committee shall report on an annual basis to the Board on its activities by comparing the Committee performance with its duties.

3. The Committee shall report on its roles and responsibilities and the actions it has taken to discharge those responsibilities for inclusion in the annual report and accounts. The report may be in the form of an oral report made at any regularly scheduled Board meeting.

KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh Sultan Trust Building No. 2, Beaumont Road
Karachi 75530 Pakistan
+92 (21) 37131900, Fax +92 (21) 35685095

INDEPENDENT AUDITOR'S REVIEW REPORT

To the certificate holders of OLP Modaraba

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of OLP Services Pakistan (Private) Limited, the Management Company of OLP Modaraba (the Modaraba) for and on behalf of the Modaraba for the year ended 30 June 2026 in accordance with the requirements of Regulation No. 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Management Company of the Modaraba. Our responsibility is to review whether the Statement of Compliance reflects the status of Modaraba's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Modaraba's and the Management Company's personnel and review of various documents prepared by the Management Company of the Modaraba to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Management Company's corporate governance procedures and risks.

The Regulations require the Management Company of the Modaraba to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Management Company's compliance, for and on behalf of the Modaraba, in all material respects, with the requirements contained in the Regulations as applicable to Modaraba for the year ended 30 June 2026.

Date: 24 September 2026

KPMG Taseer Hadi & Co.
Chartered Accountants

Karachi

UDIN: CR202610106rn865JR3Y

STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019 OLP SERVICES PAKISTAN (PRIVATE) LIMITED

Year ended June 30, 2026

The Management Company has complied with the requirements of the Regulations in the following manner:-

1. The total number of directors are 07 as per the following,-

a. Male: 06

b. Female: 01

2. The composition of the Board is as follows:

Category	Names
Independent Director	Mr. Yacoob Suttar
Independent Director	Mr. Ahmad Kamal
Non-Executive Director	Mr. Shaheen Amin
Non-Executive Director	Mian Faysal Riaz
Non-Executive Director	Mr. Ramon Alfrey
Executive Director	Mr. Wagas Ahmad Khwaja
Female Non-Executive Director	Ms. Nosheen Iqbal

The independent directors meet the criteria of independence as laid down under the Code and CCG 2019.

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company;

4. The Management Company has prepared a code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Management Company along with its supporting policies and procedures;

5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Management Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the company;

6. All powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board of the Management Company/ certificate holders of the Modaraba (where applicable) as empowered by the relevant provisions of the Act and these Regulations;

7. The meetings of the Board were presided over by the Chairman. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board.

8. The Board have transparent procedures for remuneration of directors in accordance with the Act and these Regulations;

9. All Directors have fulfilled the training requirement under the Director Training Program, with the exception of Mr. Waqas Ahmad Khwaja, who will undergo the training during the upcoming year. This is in line with Regulation 19 of the Listed Companies (Code of Corporate Governance) Regulations, 2019, which allows a one-year grace period from the date of a Director's appointment to complete the prescribed training.

10. The Board has approved appointment of chief financial officer, company secretary and head of internal audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;

11. Chief financial officer and chief executive officer duly endorsed the financial statements before approval of the Board;

12. The Board has formed following committees comprising of members named below.-

a) Audit Committee

1). Mr. Yacoob Suttar - Chairman
2). Mr. Ramon Alfrey - Member
3). Mian Faysal Riaz - Member

b) Human Resource and Remuneration Committee

1). Mr. Ahmad Kamal — Chairman
2). Mr. Shaheen Amin - Member
3). Mr. Ramon Alfrey - Member
4). Mr. Wagas Ahmad Khwaja - Member

c) Risk Committee

1). Mr. Shaheen Amin - Chairman
2). Mian Faysal Riaz - Member
3). Mr. Ramon Alfrey - Member
4). Mr. Waqas Ahmad Khwaja - Member

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance;

14. The frequency of meetings (quarterly/ half yearly/ yearly) of the committee were as per following:

Audit Committee	Quarterly
Risk Committee	Yearly
Human Resource and Remuneration Committee	Yearly

15. The Board has set up an effective internal audit function consisting of a suitably qualified and experienced team which is conversant with the policies and procedures of the Modaraba/Company;

16. The statutory auditors of the Modaraba have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of

the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the Management Company;

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;

18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.

19. Explanation for non-compliance with requirements, other than regulations 3,6,7,8,27,32,33 and 36 are below (if applicable):

S.No	Requirement	Explanation for not meeting non-mandatory requirement	Regulation No.
1	In order to effectively discharge its sustainability related duties, the board may establish a dedicated sustainability committee having at least one female director or assign additional responsibilities to an existing board committee.	The SECP introduced Regulation 10A on June 12, 2024. The Board currently oversees the Company's Environmental, Social, and Governance (ESG) initiatives, and management is reviewing the amendments.	10A(5)
2	The Board may constitute a separate committee, designated as the nomination committee of such number and class of directors, as it may deem appropriate in its circumstances.	The functions of the Nomination Committee are being performed by the HR & Remuneration Committee. Therefore, separate committee for Nomination is not required.	29(1)
3	The Company may post the Significant policies on its website.	The Company remains committed to transparency and good governance. While the decision to publish additional policies online will be considered in line with internal protocols, stakeholder relevance, and strategic priorities, it is important to note that the Code of Conduct has already been made publicly available on the Company's website. All other significant policies are appropriately documented and accessible to relevant stakeholders through established internal channels.	35

The fraction arrived at while calculating the one-third of Independent Directors has not been rounded up to one as the Board believes and understands that two (2) independent directors are sufficient because other than CEO and Independent directors all directors are representatives of OLP Financial Services Pakistan Limited (OLPFS); a Non-banking finance company, operating in Pakistan since 1986 and part of ORIX Group Japan. Rationale behind appointing maximum possible Directors from OLPFS was to align the organization with the ORIX Group and its Policies besides the fact that it is difficult to find independent directors from this industry with rich and relevant experience. Currently an independent director has banking experience which is a complement to the other directors having non-banking experience especially in SME sector. OLPFS is the leading company in its industry and Modaraba's line of business is identical to that of OLPFS. Directors appointed on the Board of the Modaraba carry vast experience in the fields of Client Relation SMEs, Finance, Credit and Risk Management. These directors from OLPFS are in a position to provide valuable input to OLPM while making decisions in various fields due to their experience in the relevant field.

Mr. Shaheen Amin
Chairman
Dated: September 15, 2026

REPORT OF THE BOARD AUDIT COMMITTEE

On behalf of the Board Audit Committee, I am honored to present the audit committee's report outlining the Committee's activities and findings for OLP Modaraba for the financial year ended June 30, 2026. We remain dedicated to upholding premier standards of corporate governance, financial integrity, and Shariah compliance, ensuring the Modaraba operates ethically and effectively under Pakistan's regulatory and Islamic financial frameworks.

The Audit Committee is tasked with safeguarding OLPM's financial transparency by validating the integrity of its financial statements and addressing critical reporting issues. The Committee continuously evaluates the company's internal controls, compliance safeguards, and risk management architecture. Furthermore, it steers the engagement of the external statutory auditors—directing their appointment, fee frameworks, and audit reviews—while diligently monitoring the scope of any non-audit services to uphold strict professional objectivity.

During the financial year, the Audit Committee has regularly reviewed and complied with regulations issued by Securities and Exchange Commission of Pakistan (SECP) and other regulatory bodies. In doing so, the Committee has focused its review across a wide-ranging scope of activities. These include:



- Compliance with all relevant regulatory statutes including but not limited to The Modaraba Regulations 2021 and The Shariah Governance Regulations, 2023;
- Evaluation of material fluctuations in KIBOR rates and its comprehensive analysis of their subsequent impact on the Modaraba's overall financial position and performance;
- Regular updates on the OLPM finances and business portfolio including collection efficiency including those flagged by External Auditors in their covering letter;
- Review of Expected credit loss allowance under IFRS-9 to ensure the adequacy and precision of provisioning against the institution's financing portfolio;
- evaluation of provision of income tax on income of modaraba for the year;
- Update on the measures taken by the modaraba to uphold employee and client wellbeing;

- Evaluation of internal audit reports on the efficiency of the overall internal control environment issued by Internal Audit Department as per approved audit plan; and

Assessment of all other key judgements and accounting estimates applied by management in preparation of the financial statements. To ensure the utmost reporting integrity, the Committee thoroughly evaluates the reasonableness of these underlying assumptions. This assessment takes into account the institution's principal operational risks and the broader macroeconomic environment. Through this careful scrutiny, the Committee verifies that the final financial statements provide a fair, balanced, and understandable view of the Modaraba's financial position for its stakeholders.

We have further discussed the significant matters highlighted by the external auditor, KPMG Taseer Hadi & Co. Chartered Accountants, pertaining to OLPM's annual audit for the year ended June 30, 2026, as required under the SECP Listed Companies (Code of Corporate Governance) Regulations, 2019.

Yacoob Suttar
Chairman of the Audit Committee
September 14, 2026

Membership and meetings

During the year, the Committee comprised of the following independent and non-executive directors:

Committee Members

Yacoob Suttar	Chairman
Ramon Alfrey	Member
Mian Faysal Riaz	Member

The Committee members meeting attendance table is also shown in the OLPM Annual Report 2026.

The Committee's diverse financial and commercial expertise equips it with the knowledge and capability to function effectively as a unit and to constructively challenge the Board and senior management where necessary. Mr. Ramon Alfrey, a Chartered Accountant and member of the Board Audit Committee, brings recent, relevant financial experience, and the Committee as a whole maintains competence appropriate to the sector.

Additional information on the directors' skills, experience, and qualifications is also available in their biographies in the OLPM Annual Report 2026.

Audit Committee and Attendance

During the year, the Committee held six scheduled meetings, with the Chairman and all members attending every session. The Committee maintains ongoing communication with the Head of Internal Audit and meets with the External Auditor as needed, with at least one meeting held annually. The Executive Director is also regularly invited to attend Committee meetings, reinforcing a strong risk management culture and keeping the Committee informed of key business decisions and management actions in overseeing the Modaraba's routine operations.

Role of the Committee

The Committee is dedicated to safeguarding certificate holders' interests by ensuring the integrity of financial reporting and audit processes, and by maintaining robust internal control systems. Its key areas of focus include monitoring and/or reviewing the following:

- **Financial Reporting** – Monitoring the integrity and regulatory compliance of the Modaraba's financial statements, along with any formal disclosures related to its financial performance, and reviewing key financial reporting matters and associated judgements.

- **Compliance** – Reviewing the Modaraba's policies and procedures to confirm adherence to relevant legal and regulatory requirements, including mechanisms for reporting and investigating identified concerns.

- **Internal Audit** – Overseeing the role and effectiveness of the Internal Audit function, including approving the annual audit work plan This also covers reviewing internal audit findings, tracking follow-up actions, and overseeing the appointment or removal of the Head of Internal Audit.

- **Whistleblowing** – Reviewing the channels through which staff can confidentially raise concerns about potential irregularities in financial reporting or other matters.

- **Internal Controls** – Assessing the effectiveness of the Modaraba's internal control systems and ensuring management takes timely corrective action based on risk and internal audit findings.

- **External Audit** – Evaluating and recommending to the Board the appointment of external auditors (including their remuneration and terms), reviewing the auditors' annual report and findings, assessing audit quality and effectiveness, and confirming policies on non-audit services and auditor independence.

Committee Activities During 2025-2026

Review of Financial Statements

The Committee reviewed the financial statements to assess whether appropriate accounting policies were applied and whether management's estimates and judgements were sound. It also monitored the income tax provision on the Modaraba's income for the year ended June 30, 2026, evaluating its adequacy against the figures presented in the financial statements, in line with IFRS-9 and the Modaraba Regulations 2021.

The Committee placed significant weight on the external auditor's perspective regarding the rigor of their challenges and audit procedures on key matters during the audit. No disagreements between management and the external auditors were brought to the Committee's attention.

After reviewing management's submissions and the external auditor's procedures and conclusions, the Committee is satisfied that the judgements made were reasonable and that appropriate accounting policies were adopted and properly disclosed in the accounts.

Fair, Balanced, and Understandable

To assure the Board that the Annual Accounts, as a whole, are fair, balanced, and understandable, a rigorous review and approval process was followed:

- The OLPM Annual Report and Accounts for the year ended June 30, 2026, were prepared by relevant senior management, with the Secretariat/Finance team coordinating overall consistency;

- Management and the Audit Committee conducted thorough reviews of the draft Accounts; and

- The Audit Committee formally recommended the Annual Accounts for the Board's approval.

The following areas continued to hold significance throughout the year and were, accordingly, thoroughly examined and resolved with the external auditor over the course of the audit engagement. The principal matters under consideration included:

1. IFRS 18 – Presentation and Disclosure in Financial Statements: Effective for annual reporting periods beginning on or after 1 January 2027.

2. IFRS S1 & S2 – Sustainability/Climate Disclosures: With OLPM subject to SECP's Phase III mandate under IFRS S1/S2 (effective 1 July 2027), it is now crucial for the Modaraba

to build its sustainability reporting capacity and begin tracking its carbon footprint ahead of the compliance deadline

3. Accounting adjustments pertaining to credit-impaired loans and front-end fees;

4. Pending exposure against selected clients; and

5. Taxation provision for the year.

The Committee determined that the Financial Statements, viewed in there were fair, balanced, and understandable offering stakeholders the insight required to evaluate OLPM's business model, strategy, and performance. The Committee has sustained its oversight of the financial reporting process and its reliability, alongside risk management systems and assurance frameworks

Internal audit

The Audit Committee monitored and evaluated the scope, extent, and effectiveness of OLPM's internal audit function. The Head of Internal Audit provided regular updates and presentations to the Committee. The Committee approved the internal audit's terms of reference, outlining the function's role, accountability, authority, independence, and objectivity.

Internal Control Review

The effectiveness of the internal control environment—covering financial, operational, and compliance controls—was evaluated. Reports from the Internal Audit department were examined, with particular attention to key audit areas and identified control weaknesses. Management's responses to internal audit findings were confirmed to be prompt and sufficient.

The Internal Audit function offers independent assurance by reviewing management's risk management processes and internal controls. The Committee examines matters raised in audit reports, gauging the adequacy of management's responses and the speed of their resolution.

Key priorities for internal audit during the year included examining business operations and related back-office controls to address risks specific to OLPM's operations. Internal Audit also reviewed processes underpinning OLPM's compliance and operational risk management, including Anti-Money Laundering and Countering Financing of Terrorism (AML/CFT) practices, along with adherence to the broader Operational Risk Framework.

During the reporting year, the Electronic Credit Information Bureau (ECIB) reporting mechanism was comprehensively reviewed and updated to ensure full alignment with the latest guidelines issued by the State Bank of Pakistan (SBP). Compliance with these revised guidelines continues to be actively monitored and verified through semi-annual audits conducted by the internal audit team, safeguarding the accuracy and integrity of reporting processes.

The scope of internal audit activity is tracked and reviewed at every Audit Committee meeting. An annual plan was approved by the Committee in September 2024, covering activities until June 2026. This plan is shaped by the Audit Universe, which identifies all auditable areas of the business, assigns each a risk rating, and recommends an audit frequency. The internal audit plan remains aligned with OLPM's principal risks.

Focus areas under the current plan include heightened attention to operational risks concerning compliance with the Shariah Governance Regulations 2023, the Modaraba Regulations 2021, and Anti-Money Laundering and Countering Financing of Terrorism requirements—including adherence to the SECP (Anti-Money Laundering and Countering Financing of Terrorism) Regulations, 2020, and the amendments introduced on 21st September 2023.

The overall approach remains consistent, with the underlying audit methodology and processes remain unaltered; audits continue to fully comply with best practices and internal audit standards. The Committee is accordingly satisfied that the internal audit function has continued to operate effectively throughout the year.

Risk Management

- Supervised implementation of the Modaraba's risk management framework across all operational areas.
- Assessed major risk categories — credit, market, operational, liquidity, and Sharia compliance — and reviewed the mitigation measures in place for each.

Shariah Compliance and Audit

- Verified that operations, transactions, and financial reporting remained compliant with Sharia principles as directed by the OLPM Shariah Advisor throughout the year.
- Reviewed Shariah Advisor and Internal Shariah Audit reports, resolving any compliance issues raised.
- For FY ended June 30, 2026, the Shariah audit was carried out by BDO Ebrahim & Co. Chartered Accountants; BDO confirmed its independence and objectivity, which the Audit Committee reviewed and agreed with after considering the firm's overall relationship with OLPM.
- Oversaw ongoing Shariah compliance training for relevant staff.

Regulatory Compliance

- Ensured adherence to directives and regulations issued by the State Bank of Pakistan (SBP), the Securities and Exchange Commission of Pakistan (SECP), and other relevant regulatory bodies.
- Reviewed compliance reports and resolved any instances of non-compliance identified.

Findings and Observations

The Audit Committee is pleased to report that the financial reporting process for FY 2025–2026 has been sound, with internal controls assessed as adequate and effective, while continuous improvement remains a priority. The Modaraba maintained strong Sharia compliance and met its regulatory requirements. Management responded proactively to issues raised by the committee and auditors, and although certain control weaknesses were identified in the payment process, these have since been mitigated with the associated risks well managed.

Delegation by the Board

External auditor appointment and rendering

The Audit Committee recommends the appointment, re-appointment, remuneration, and removal of the external auditor to the Board. Re-appointment decisions consider audit effectiveness, tenure, and the auditor's ongoing independence and objectivity.

Messrs. KPMG Taseer Hadi & Co., Chartered Accountants, were appointed as External Auditors of the Modaraba for the year ended June 30, 2026, their second consecutive year in that capacity. As per the requirements of Regulation 33 of the Listed Companies (Code of Corporate Governance) Regulations, 2019, All inter-related companies/institutions engaged in the business of providing financial services must appoint the same firm of auditors to conduct the audit of their accounts. The parent Company; OLP Financial Services Pakistan Limited (the Company) informed that they changed and appointed Messrs. A. F. Ferguson & Co., Chartered Accountants their auditor due the fact that KPMG International has confirmed that it will exit its practice in Pakistan at the end of October 2026, after which the firm will no longer be a

member of an international accounting network. The parent Company's principal shareholder, ORIX Corporation, Japan, requires its group companies to be audited by a member firm of one of the Big Four international accounting networks. In line with the Parent Company, the Board appointed Messrs. A. F. Ferguson & Co., Chartered Accountants as Auditors of OLP Modaraba for the year ending June 30, 2027 subject to approval from the Registrar Modaraba Companies and Modarabas.

The Audit Committee, in its oversight role, has overseen the process for the re-appointment of the External Shariah Auditor for the year ending June 30, 2027. In compliance with the Shariah Governance Regulation 2023, BDO Ebrahim & Co. Chartered Accountants has been appointed as the External Shariah Auditor. This appointed firm possesses the requisite expertise and independence to audit our Shariah compliance mechanisms.

Independence and objectivity

KPMG Taseer Hadi & Co. Chartered Accountants continued their audit of OLPM's financial statements for the year ended June 30, 2026, with Mr. Muhammad Taufiq leading this year's audit on the firm's behalf.

KPMG Taseer Hadi & Co. Chartered Accountants has reported to the Committee that, in its professional judgement, it is independent within the meaning of regulatory and professional requirements and the objectivity of the audit engagement partner and audit staff is not impaired.

The Audit Committee has assessed the independence of the auditor, and concurs with this statement. When assessing the independence of the auditor, the Committee considers, amongst other things, the length of tenure of the audit firm and the audit partner, the value of non-audit fees provided by the external auditor and the relationship with the auditor as a whole.

KPMG Taseer Hadi & Co. Chartered Accountants has confirmed to the Committee that, based on its professional judgement, it meets independence requirements under applicable regulatory and professional standards, and that the objectivity of the engagement partner and audit staff remains intact.

The Audit Committee reviewed and agreed with this assessment. In evaluating auditor independence, the Committee takes into account factors such as the tenure of the audit firm and partner, the level of non-audit fees paid to the auditor, and the overall nature of the relationship with the firm.

Non-audit work carried out by the external auditor

To safeguard the continued independence and objectivity of OLPM's external auditor, the Committee reviews audit and non-audit fees on an annual basis and must pre-approve any non-audit services provided by the auditor. The external auditor is barred from providing any services that could conflict with its statutory duties or compromise its independence or objectivity.

Effectiveness and reappointment

The Committee is responsible for assessing the effectiveness of the external audit and monitored this throughout the year by considering:

- The extent to which KPMG Taseer Hadi & Co. Chartered Accountants challenged management's judgements, and the nature and volume of observations raised;
- The audit partner's high level of engagement throughout the process;
- Use of advanced technology in conducting the audit;
- The quality of challenge provided by the auditor;
- The auditor's strong grasp of accounting standards, governance requirements, and the infrastructure sector;

- Sound and insightful handling of key accounting and audit judgements;
- Support provided to the audit team by KPMG's technical specialists;
- Continuity of the audit team from the prior year; and
- A final report reflecting a solid understanding of the Modaraba's business.

Based on this review, the Committee concluded that KPMG applied appropriate rigor and professional skepticism, demonstrated the necessary skills and experience, and conducted an effective audit.

Whistleblowing

The Modaraba maintains comprehensive whistleblowing procedures allowing employees, clients, and third parties to confidentially report concerns about potential improprieties, via telephone, an independently managed online service, The Committee received updates on any reported issues at each of its meetings during the year.

Other matters

Other matters reviewed by the Committee during the year included:

- Related party transactions, along with recommendations to the Board of Directors for approval;
- The Modaraba's Shariah compliance with regulatory requirements, with particular focus on the Shariah Advisor's annual report, Shariah Internal Audit reports, and the Shariah External Audit (BDO) report;
- Preliminary year-end results and quarterly results, prior to their communication to the Pakistan Stock Exchange and publication on the OLPM website.

Future Outlook

The Audit Committee will maintain its diligent oversight in the coming year, with continued focus on strengthening internal controls, enhancing risk management capabilities, and upholding its commitment to Sharia compliance and stakeholder interests.

Conclusion

The Audit Committee concludes that the financial statements for the year ended June 30, 2026 present a true and fair view of the Modaraba's financial position, in accordance with Islamic Sharia principles and applicable laws and regulations. The Committee affirms its confidence in the Modaraba's governance structure and financial management.

I would like to thank OLPM's management team and all Committee members for their valuable contribution and support to the Audit Committee throughout the year.

GOVERNANCE

The Board

The Board as a whole continues to take ownership of effective leadership and the long-term success of the Modaraba. The management and governance framework, which the Board has implemented to support the Modaraba's long-term growth objectives. The diverse range of skills and leadership experience offered by the Non-Executive Directors means that they are well qualified to scrutinize performance, assess the Modaraba's risk management and control processes, provide constructive challenge and to support the Chief Executive. Details for each of the Directors together with their Board responsibilities are set out on page 72.

The Board has four (04) scheduled meetings during the year; additional meetings are arranged, if required. The Board committee meetings are scheduled around the regular Board meetings.

Composition of the Board

Category	Number
Independent Directors	02
Executive Director	01
Non-Executive Directors	03
Non-Executive Female Director	01

The independent Directors have provided the annual declaration of their independence as required by Listed Companies (Code of Corporate Governance) Regulations, 2019. The declaration states that:

1) They are not serving as a director on more than seven listed companies.

2) They does not hold any interest in the certificates/shares of OLP Modaraba other than that disclosed in the pattern of shareholding.

3) Neither they nor any of their spouse/minor children have not (sold, bought or transacted), whether directly or indirectly, in certificates of OLP Modaraba.

4) They have not, directly or indirectly, dealt in the certificates of the Modaraba in any manner during the closed period.

5) They have not defaulted in payment of any loan to a banking company, a DFI or a NBFI. Further, they are not a broker of a stock exchange.

Decision taken by Board or delegated to management

Directors are required to attend each Board meeting and meetings of any Committee of which they are a member. In addition, members of the management team and the External Auditors may, by invitation, attend meetings to address specific agenda items. There is a formal schedule of matters reserved for the Board, which is reviewed regularly to ensure that it remains current. Matters reserved for the Board include the items summarized below:

- The Board is responsible for exercising its powers with diligence and responsibility, following careful deliberation as dictated by the Companies Act 2017, Listed Companies (Code of Corporate Governance) 2019 and Company Articles of Association.
- overseeing and evaluating governance practices;
- guiding and supervising the Modaraba's strategic direction;
- deciding upon appointments, dismissals, salaries, contract renewals for key management roles;
- review of terms of references for and membership of the Board committees;
- reviewing recommendations made by Board committees;
- issues flagged by Chief Executive Officer may be brought before board or its sub-committees;
- investments in new ventures;
- establishing internal control frameworks that promote effective risk management strategies as well as mechanisms addressing ethical matters, affirmation of risk management strategies and risk appetite;
- to approve business plans including cash flow forecasts and strategic plans;
- approval of financial statements including dividends using inputs provided through audit observations regarding the overall control environment;
- assessing reports from internal audits together with reviews of external auditors' letters and responsible for managing related party transactions.

Matter Delegated to the Management

The Board and management have predefined, explicit roles. CEO is responsible for conducting routine business operations in a compliant, ethical manner.

The Board has greenlit a range of objectives and plans, which include annual benchmarks for output, revenue generation, expenditure management and financial gains. Additionally, the Board aims to explore fresh business avenues while maintaining adherence with legal stipulations and regulatory demands.

It is the duty of management to identify and manage critical risks, take advantage of opportunities, maintain internal controls, and prepare financial statements that adhere to approved accounting standards. This must be done in accordance with applicable regulations such as Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 (XXXI of 1980), the Modaraba Companies and Modaraba Rules, 1981, Modaraba Regulations and Companies Act 2017 and other rules determined by Securities and Exchange Commission of Pakistan.

Governance practice addition to Legal requirements:

In addition to the compliance with listed companies Code of corporate governance, the Modaraba has developed various committees such as Customer Experience Forum, Principals Committee, Country Operation Risk Committee-CORC and Portfolio Management Committee-PMC. The objective of these committees are as follows:

Customer Experience Forum:

To analyze, discuss and find solutions to issues that might impact, or have impacted, the client during the Client Life Cycle.

Principals Committee

A select group of leaders who analyze effects of all decision making across the Modaraba.

Country Operation Risk Committee-CORC

To ensure the effective management of Operational Risk throughout OLPM in support of entity's strategy and in accordance with the Risk Management Framework and related Operational Risk Policies and Procedures.

Portfolio Management Committee-PMC

To manage and direct as appropriate the management of the credit portfolio in OLPM to ensure that systems and controls are in place and operating effectively such that earnings from the portfolio meet expectations.

Board performance Evaluation:

The Board of Directors sets the Modaraba's strategic direction and ensures that the organization stays true to this direction - enabling it to achieve its long-term objectives while ensuring regulatory compliance. To discharge its fiduciary responsibility of safeguarding the stakeholders' interests, and to remain compliant with all the requirements set out in the Companies Act, 2017 and the Listed Companies (Code of Corporate Governance) Regulations, 2019 with respect to the composition, procedures and meetings of the Board of Directors and its committees, the Board of Directors has developed criteria for its performance evaluation which reflect the Modaraba's overall performance.

The Board of Directors discusses strategic objectives, budgetary expenses and projected national and international macroeconomic indicators to ensure that the Modaraba's business strategy stays aligned with the macroeconomic indicators. The Board of Directors and its sub-committees are competent and experienced, representing diversified educational and vocational backgrounds which are invaluable in determining the overall direction of the organization.

The Board of Directors is keen to ensure that it reviews the effectiveness of its performance periodically. To that end, all individual Board members answer a comprehensive questionnaire focused on evaluating, from various angles, whether the Board has discharged its duties diligently and with foresight. Company secretary is designated to collate individual responses and present them to the Board for deliberation and discussion.

This exercise in critical self-assessment allows the Board to evaluate its performance and overall effectiveness in setting strategies, devising control processes, reading market trends by monitoring micro and macroeconomic factors, and responding to adverse unforeseen situations to further the cause of a learning organization. This process also ensures that the Board is constantly growing intellectually and the responsibility of steering the Modaraba to new heights of success is discharged effectively and efficiently.

Details of formal orientation courses for directors.

Directors are provided with a comprehensive information pack on joining the Modaraba and are advised of their legal and other duties and obligations as a director of a listed company. Induction Pack provide detailed information on operations and activities of the Modaraba, the role of the Board

and the Modaraba's corporate governance procedures. The Directors are also encouraged to update their skills and knowledge regularly, including in relation to environmental, sustainability and governance matters, and where necessary, the Company Secretary is notified by Directors of their requirements in this respect. In pursuit of best practice, the Board reviews presentations on compliance with governance and regulatory matters.

Directors' Training Program (DTP)

All Directors have fulfilled the training requirement under the Director Training Program, with the exception of Mr. Waqas Ahmad Khwaja, who will undergo the training during the upcoming year. This is in line with Regulation 19 of the Listed Companies (Code of Corporate Governance) Regulations, 2019, which allows a one-year grace period from the date of a Director's appointment to complete the prescribed training.

Description of external oversight of various functions like systems audit or internal audit by an external specialist and other measures taken to enhance credibility of internal controls and systems.

We have four different kind of audits in a year. Internal audit, external audit (KPMG), Internal Shariah Audit and External Shariah Audit.

Related Party Transactions:

The Board of Directors have approved a Policy for Related Party Transactions, which require that the Modaraba shall carry out transactions with its related parties on an arm's length basis in the normal course of business. The term 'arm's length' entails conducting business on the same terms and conditions as the business between two unrelated/un-concerned persons. The policy specifies that all transactions entered into with related parties shall require Board's approval on the recommendation of the Board's Audit Committee, which is presided by an independent director of the Modaraba.

The Modaraba has made detailed disclosures about related party transactions in its financial statements annexed with this annual report. Such disclosure is in line with the requirements of the 4th Schedule to the Companies Act, 2017 and applicable International Financial Reporting Standards. Further, the Modaraba also maintains a full record of all such transactions, along with the terms and conditions. Refer note 37 of Financial for details.

Diversity

The Board of Directors of OLP Modaraba continues to have a firm commitment to policies promoting diversity, equal opportunities and talent development at every level throughout the Modaraba, including at Board and management level and is constantly seeking to attract and recruit highly qualified candidates for all positions in its business. We believe that diversity at the Board level acts as a key driver of Board effectiveness, helps to ensure that the Modaraba can achieve its overall business goals. The Board of Directors also firmly believes that the diverse mix of gender, knowledge, expertise and skill sets of the members enhances the effectiveness of the Board.

In this regard, OLPM's Board ensures that a diverse mix of directors are elected on the Board, which represent the interests of all stakeholders. The Board composition met the minimum requirement of the applicable laws. The Board has adequate female representation. The Board has such directors

who bring along with themselves diverse skill sets pertaining to Islamic financial matters, legal and human resources etc.

Disclosure of director's interest in significant contracts and arrangements.

In order to avoid any known or perceived conflict of interest, formal disclosure of vested interests is encouraged under the Code of Business Ethics and the Policy for Conflict of Interest relating to Board of Directors, approved by the Board. The Code and the Policy comprises of not only the principles provided under the regulatory requirements but encompasses global best practices as well. The board members are responsible for appropriate self-disclosure in a transparent manner and in the case of doubtful situation, are advised to discuss it with the chair of the meeting for guidance. Board members' suggestions and comments during their proceedings are accordingly recorded for evaluation, in addition to description and quantification of any foreseen conflict of interest prior to finalization of the proceedings' agenda.

Remuneration to Non-Executive Directors:

- The Modaraba will not pay any remuneration to its non-executive directors except as meeting fee for attending the Board and its Committee meetings as approved by the Board.
- The Modaraba will not pay any remuneration to the Chief Executive and other Directors for attending the meeting, who work whole time on remuneration for the company.
- The Remuneration of an Independent Director for performing additional responsibilities shall be determined by the Board.

Foreign Directors

The Modaraba as a matter of policy has a practice that a person qualifying the Fit & Proper criteria of SECP shall be appointed as director of Modaraba. Moreover, in case of appointment of any foreign director, the appointment is based on the clearance from Ministry of Interior of Pakistan.

Board meetings held outside Pakistan

During the year, Eight (08) Board meetings were held and no meeting was held outside the Country.

Human Resource Management Policies

HR management policies are essential for sustaining viable businesses. HR policies assist organizations in establishing & maintaining consistent practices in the workplace, it is the way of communication with employees and managers in regard of desired performance and behaviour.

OLPM have the following HR management policies;

- Day Care Policy
- Education Assistance Policy
- Employee Discipline Policy
- Employee Equal Opportunities, Diversity & Dignity at Work Policy
- Employee Grievance Policy
- Employee Responsibility Policy

- Hospitalization & Life Takaful Policy
- Leave Policy
- Local Relocation Policy
- Management Responsibility Policy
- Performance Management and Promotion Policy
- Reward Policy
- Sexual Harassment Policy
- Speak Up Policy
- Spot Award Policy
- Staff Finance Policy

Succession Plan

Succession planning ensures smooth replacement of critical positions at management and technical level in OLP Modaraba (OLPM). The purpose of succession planning is to identify and prepare candidates to take over key positions at all levels that becomes vacant due to resignation, retirement or death of an employee. OLPM conduct succession planning meeting every year for critical resources whereas for non-critical resources meeting is held once in three years. This helps in identifying successors for all roles. In this way, it provides continuity to leadership and can avoid extended and costly vacancies for key position. Sourcing of successors is first performed within OLPM and in the event no potential candidate is available an external recruitment effort is conducted. Successors which are identified in the session are equipped with all necessary trainings and assignments to make him/her to take over the role.

Social and environmental responsibility

The OLP Modaraba has formulated an efficient policy for Social and Environmental responsibilities which lays down the Modaraba's commitment towards creating a more equitable and inclusive society by supporting processes which lead to sustainable transformation and social integration. Our primary focus of social responsibility is to craft business policies that are ethical, equitable, environmentally conscious, gender sensitive and also takes care of the differently-abled. The Modaraba ensures that all social and environmental dimensions are considered when developing its strategies, policies, practices and procedures. For details of social and environmental initiative taken by Modaraba refer the section.

Communication with stakeholders.

OLP Modaraba is fully committed to develop effective working relationships with all our stakeholders. Throughout all its business dealings, The Modaraba has provided stakeholders with opportunities to provide meaningful input into management decision-making. The Modaraba endeavours to provide full and fair disclosure of all material information to its stakeholders besides providing a wide range of information about strategy and financial information through its Annual Report and website for all stakeholders.

Investor Grievance Handling

At OLP Modaraba we value our relationships the most and believe in nurturing the bonds formed at all levels. We have earned the trust of our investors and are fully committed to sustain it. The Board is

committed to ensure that we continue to engage effectively with our investors. The potential investors and certificate holders of OLPM have full access to obtain information relating to Modaraba's operations in addition to the queries raised specifically relating to their investment, dividend distribution and circulation of statutory notices and reports. The Modaraba endeavours for prompt resolution of the queries and provision of required information in accordance with provisions of the law.

Employee health, safety and protection

OLPM has always taken necessary precautions to ensure health and safety of its staff and to offer sustained and persistent services to our customers with a safe environment. In this regard, each year the Modaraba took various initiative relating to employee health i.e. Medical Camp, Health and life insurance policy for all employee etc. For detail refer sustainability section of the report.

Speakup policy including mechanism to receive and handle complaints in a fair and transparent manner and providing protection to the complainant against victimization and reporting in Audit Committee's report

In view of our commitment to create an atmosphere where people can freely communicate their concerns or raise an alert against possibility of occupational fraud, non-compliance with Modaraba's policies, Code of Conduct and regulatory framework, an effective Whistle Blowing Mechanism has been implemented. This policy is designed to enable all officers and employees of the Modaraba to raise complaints at designated platform. The Modaraba is committed to achieving and maintaining the highest standards of openness, integrity, ethical values and accountability. Hence it expects all of its employees to do the same. In the interest of the Modaraba, it is the responsibility of every employee to ensure that any inappropriate event does not occur and if occurred, the same is reported at relevant forum in the Modaraba.

All those who come in the ambit of Speakup Policy are encouraged to participate without fear of reprisal or repercussions, in confidentiality, under defined reporting channels. Such communications are investigated independently and reported at the highest level.

An inappropriate event could be any behaviour, action or incident that compromises the interests of shareholders, investors, client or any other stakeholder. It is also mission-critical to maintain a good corporate image, thus raising standards of corporate governance.

Safety of records of the Modaraba

The Modaraba encourages a paperless environment and documents are archived electronically to safeguard the records as well as optimize storage spaces. However, the Modaraba has also established a process for safety of records extending beyond the regulatory requirements and the Modaraba makes a conscious effort for the safety of all its records. The records include books of accounts, documentation pertaining to secretarial, legal, contractual, taxation and other matters. The process for Safety of Records consists of the following points:

1). To ensure and maintain digital back-up of all the relevant Legal, Administrative, Operational and other documents, intellectual property and records.

2). Maintenance of a fire-proof vault for the safekeeping of legal documents and conduct trainings to deal with fire hazards.

3). Real-time back up of data at on and off-site locations.

Statement on the Management's responsibility towards the preparation and presentation of the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Approved Accounting Standards as applicable in Pakistan which include keeping proper books of account of the Modaraba as required by Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 (XXXI of 1980), and the Modaraba Companies and Modaraba Rules, 1981. The Statement of Financial Position, profit and loss account and the statement of comprehensive income together with the notes thereon of the Modaraba have been drawn up in conformity with the requirements of Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 (XXXI of 1980), and the Modaraba Companies and Modaraba Rules, 1981.

Disclosure of Board's Policy on Governance of risk and internal controls

OLP Modaraba's risk management framework is designed to assess and mitigate risks in order to minimize their potential impact and support the achievement of Modaraba's long term purpose and business strategy. Risk assessment is performed regularly to create a good understanding of the Modaraba's key risks, to allocate ownership to drive specific actions around them and take any relevant steps to address them. Due to their critical importance, our material issues and principal risks are integrated into our business planning processes and monitored on a regular basis by our Board of Directors. Strategic, Operational, Financial and Compliance risks are ranked based on their impact on Modaraba and probability of occurrence. Upon identification of risks, mitigating strategies and action plans are developed, implemented and monitored.

Compliance with the Best Practices of Code of Corporate Governance

Living up to its standard, the Board of Directors has throughout the financial year 2025-26, complied with the requirements for Code of Corporate Governance, the listing regulations of the Pakistan Stock Exchange and the requirements for Financial Reporting framework of Securities & Exchange Commission of Pakistan (SECP). Report of the Board's Audit Committee on adherence to the Code of Corporate Governance, statement of compliance with the Code of Corporate Governance by the Chief Executive Officer of the Company, besides review report by the Modaraba's Auditors are included in this Report.

Presence of the chairman of the Audit Committee at the AGM to answer questions on the Audit Committee's activities / matters that are within the scope of the Audit Committee's responsibilities.

In the Annual Review Meeting for the financial year ended June 30, 2026, The Chairman of Board Audit Committee attended the meeting wherein he was available to answer any question pertaining to the Board Audit Committee's activities.

GENDER PAY GAP STATEMENT



OLP Modaraba

Gender Pay Gap Statement under Securities and Exchange Commission of Pakistan (SECP) Circular 10 of 2024

Following is the gender pay gap calculated for the year ended June 30, 2026:

(i) Mean Gender Pay Gap:	**28.18%**
(ii) Median Gender Pay Gap:	**34.55%**

(iii) The above ratios reflect the overall employee gender pay gap across the organization. The modaraba ensures equitable compensation for the female members in their respective role based on experience, qualification and performance.

Date: October 01, 2026

For and on Behalf of the
Board of Directors

Waqas Ahmad Khwaja
Chief Executive Officer

IT GOVERNANCE AND INFORMATION SECURITY

The Board responsibility statement on the evaluation and enforcement of legal and regulatory implications of Information risks and the responsibilities of the board in case of any breaches.

The Board of Directors acknowledges its responsibility for the oversight of Information Technology (IT) governance, cybersecurity, and information security risks. The OLPM Information Security governance ensures that appropriate governance frameworks, policies, and internal controls are established to identify, assess, monitor, and mitigate legal, regulatory, operational, and cybersecurity risks. Management is responsible for implementing these controls and reporting significant information security matters to the Board. In the event of a material information security breach, the Board oversees management's response to ensure timely containment, regulatory compliance, stakeholder communication, remediation, and continuous improvement of the OLPM's security posture.

Disclosure related to IT governance and Information Security programs. policies and procedures and industry specific requirements for cybersecurity and Strategy in place.

The OLPM has established a comprehensive IT Governance and Information Security framework supported by approved policies, standards, and operating procedures aligned with recognized industry best practices and applicable regulatory requirements. The cybersecurity strategy focuses on protecting information assets, maintaining business continuity, ensuring regulatory compliance, and enhancing operational resilience through a risk-based approach. Regular reviews are conducted to ensure that governance practices remain aligned with evolving business needs and emerging cyber threats.

Disclosures about how Information Security fits into the board's risk oversight function and how the board is engaging with management on this issue.

Information Security forms an integral component of the OLPM's Enterprise Risk Management framework. The Board, through senior management and relevant governance committees, receives periodic updates on cybersecurity risks, emerging threat landscapes, control effectiveness, compliance status, and significant security initiatives. This oversight enables informed decision-making and ensures that information security risks are appropriately managed in line with the OLPM's overall risk appetite and strategic objectives.

Disclosure regarding the Company's controls and procedures related to its incident response capabilities, which facilitate timely incident detection and prevention, as well as prompt disclosures and communications to the Board concerning Information Security risks and incidents.

The OLPM maintains formal incident response procedures designed to facilitate the timely detection, analysis, containment, eradication, and recovery of cybersecurity incidents. Defined escalation protocols ensure that material information security risks and incidents are promptly communicated to senior management and the Board, as appropriate. Lessons learned from incidents are incorporated into the continuous enhancement of security controls, monitoring capabilities, and response processes.

Disclosure regarding the Company's controls and procedures related to its incident response capabilities, which facilitate timely incident detection and prevention, as well as prompt disclosures and communications to the Board concerning Information Security risks and incidents.

The OLPM continuously strengthens its cybersecurity monitoring capabilities through preventive, detective, and corrective security controls. Security events are monitored and assessed to identify potential threats at an early stage, enabling timely response and mitigation. Established communication protocols ensure that significant incidents are reported to the Board in accordance with the OLPM's governance framework and regulatory obligations.

Disclosure of policy related to independent comprehensive security assessment of technology environment, including third party risks.

OLPM conducts periodic independent assessments of its technology environment to evaluate the effectiveness of information security controls and identify opportunities for improvement. Security reviews may include vulnerability assessments, penetration testing, compliance evaluations, and control effectiveness reviews performed by qualified independent professionals. The OLPM also maintains a third-party risk management process to assess and monitor vendors and service providers handling OLPM's information or critical systems, ensuring that appropriate contractual and security requirements are maintained throughout the vendor lifecycle.

Disclosure about resilient contingency and disaster recovery plan in terms of dealing with a possible IT failure or Information breach and details about company's Information insurance.

OLPM maintains Business Continuity and Disaster Recovery plans designed to ensure the resilience of critical business operations and the timely recovery of technology systems following disruptive events or cybersecurity incidents. These plans are periodically reviewed and tested to validate their effectiveness. Where considered appropriate, the OLPM evaluates insurance coverage to mitigate financial exposure arising from cyber-related incidents and other technology risks, consistent with its overall risk management strategy.

Disclosure of advancement in digital transformation on how the organization has leveraged 4.0 Industrial revolution (RPA, Block Chain, AI, Cloud Computing etc.) to improve transparency, reporting and governance.

As part of our digital transformation efforts, OLPM has focused on enhancing transparency, reporting, and governance through the adoption of advanced digital platforms and automation tools. These initiatives have improved the accuracy and timeliness of our reporting processes, enabling real-time access to key performance indicators for stakeholders. We continue to strengthen our information security measures to protect sensitive data and uphold the highest standards of data governance. Our commitment to leveraging appropriate technologies ensures ongoing improvements in operational efficiency, accountability, and stakeholder communication. Whilst Robotics and Block Chain are not relevant to our line of business currently, usage of AI and Cloud Computing are areas which will form part of our strategy going forward. (same as previous)

Disclosure about education and training efforts of the Company to mitigate Information risks.

OLPM is committed to fostering a strong cybersecurity culture through comprehensive education and training programs aimed at mitigating information risks. Regular information security awareness initiatives, training programs, and periodic communications are conducted to educate employees on cybersecurity risks, data protection responsibilities, secure use of technology, phishing awareness, and compliance with the OLPM's information security policies. These initiatives promote a strong security culture and support the OLPM's ongoing efforts to reduce information-related risks.

SHARIAH MECHANISM

A core mandate of an Islamic financial institution is ensuring that all business methodologies, operational activities and financial services comply with Shariah framework and guidelines. The unique value proposition of Islamic finance stems from utilizing Shariah-permissible structures for financial transactions, with each contract dictating its distinct risk-return characteristics. Upholding absolute Shariah compliance throughout these contract structures safeguards the functional legitimacy and institutional integrity of financial transactions conducted by the institution.

To safeguard these principles, OLPM has established a robust governance framework built on multiple layers of oversight. To strengthen this framework externally, OLPM has also outsourced its compliance function to a well-known advisory firm, Standard Certification Services (SCS), which conducts its own independent checks of relevant transactions and activities on an ongoing basis.

At the strategic level, the Shariah Advisor provides continuous oversight of corporate conduct, transactions, and investments to ensure strict compliance with religious mandates and our SECP-approved prospectus.

Shariah Internal Auditor independently validates this compliance through periodic reviews, adding a further layer of assurance to the structure.

Furthermore, OLPM has developed a dedicated product program for each product offering, with every program formally evaluated and approved by the Shariah Advisor. All process flows of products are also approved by the Shariah Advisor.

Shariah Advisor Profile

Mufti Faisal Ahmed is a faculty member at Jamiatur Rasheed, a Mufti at Darul Ifta JTR, and visiting faculty at PAF KIET, AGU, and KUBS. He also serves as the Shariah Advisor of OLP Modaraba, CEO of Standard Certification Services, and a member of the Central Royat-e-Hilal Committee Pakistan. A qualified Mufti holding an MBA in Finance, an LLB, and an MS in Islamic Finance, he has taught Fiqh, Hadith, and Ifta at Jamiatur Rasheed since 2003, alongside visiting faculty roles at various universities covering subjects such as Islamic financial systems, project appraisal, financial management, Islamic capital and money markets, and journalism. He is also a frequent speaker at forums on Islamic finance topics, including riba-free banking, zakat, and Islamic economic systems. He served as Associate Mufti from 2004 to 2009 and has been a Mufti since 2009, during which he also headed Administration, Consultancy, and Fatawa delivery at SCS (Shariah Consultancy for Trade and Finance) under Dar-ul-Ifta Jamiatur Rasheed from 2009 to 2015. Given his combined grounding in Islamic scholarship, finance, and law, he is well positioned for Shariah advisory and monitoring roles.



SHARIAH ADVISOR'S REPORT

I have carried out the Shariah review of the operations and affairs of OLP Modaraba for the year ended June 30, 2026 in line with the Shariah Governance Regulations, 2023 and Modaraba Regulations 2021 issued by the Securities and Exchange Commission of Pakistan (SECP).

Scope of Review

My review covered the assessment of policies, procedures, financing transactions, contracts, and documentation on a test-check basis to ensure conformity with Shariah principles and the guidelines provided by me during the year.

Shariah Compliance Opinion

Based on the review performed, I am pleased to report that:

i. The governance framework in place at OLPM continues to support Shariah compliance. The management remains committed and responsive in implementing Shariah requirements across all functions.

ii. The financing modes, contracts and related documentation entered into during the year were generally found to be in accordance with the principles of Shariah and the approved product structures.

iii. The business operations were conducted largely in line with the Shariah guidelines and directives communicated by us from time to time.

iv. Income from non-Shariah compliant sources, identified during the year has been properly segregated and transferred to the Charity Fund as per Shariah guidelines.

v. Capacity building initiatives were undertaken during the year. OLPM conducted training and awareness programs for staff to enhance understanding of Shariah principles relevant to Modaraba products and operations.

vi. Engagement with Shariah scholars and Islamic financial institutions continued during the year. These interactions helped in addressing technical Shariah matters and in aligning business practices with evolving industry standards.

vii. The agreements executed by the Modaraba are based on templates approved by me and the prescribed conditions have been duly observed.

viii. To the best of my knowledge, the transactions undertaken and matters incidental thereto are in conformity with Shariah requirements, the provisions of the Offering Document, applicable Islamic Financial Accounting Standards and the Shariah Governance Regulations 2023.

ix. The profit distribution mechanism adopted by the Modaraba is in line with the Shariah principles and the scheme approved by the SECP Religious Board.

x. No income was generated from prohibited sources during the period under review. Amounts collected on account of late payment charges were credited to the Charity Account and disbursed to approved charitable causes.

Recommendation

For further strengthening of the Shariah compliance environment, it is recommended that:

1. Efforts to promote Takaful coverage for Modaraba clients be continued and expanded.

2. Periodic refresher trainings for front-line and operations teams be institutionalized to maintain awareness of Shariah requirements.

Conclusion

In my opinion, and based on the information and explanations provided to me by the management, the overall operations of OLP Modaraba for the year ended June 30, 2026 were conducted in accordance with Shariah principles, subject to continuous improvement in the areas highlighted above.

May Allah Subhanahu Wa Ta'ala accept our efforts and guide us further.

And Allah Taala Knows Best.

Mufti Faisal Ahmed
Shariah Advisor OLP Modaraba

Date: August 01, 2026

SUSTAINABILITY





SUSTAINABILITY



Community Engagement Corporate Social Responsibility (CSR)

At OLPM's Corporate Social Responsibility (CSR) vision is "To be a socially responsible corporate citizen," aligning with the Modaraba's mission, "To play a proactive role in contributing to society." Through its CSR initiatives, Modaraba voluntarily engages in addressing community issues related to social and environmental concerns.

CSR Plan Objectives:

Workplace

Establish a workplace environment to maintain balanced work life, have health care facilities, maintain high ethical standards, improving the skills of employees through trainings, have equal employment opportunities including the minority groups, employment through Talent Hunt programs, aid social interaction among and encourage employment of persons with different abilities.

Environment

Making a positive impact on environment by promoting paperless environment, reducing carbon emissions, no or low paper consumption, enhancing focus on energy conservation, and promoting green culture through trainings and awareness sessions.

Community

Promoting the uplift of underprivileged communities by actively contributing to various health, education, sports and cultural initiatives. Make the community feel OLPM's presence by sharing and caring, especially during the times of adversities, natural calamities, and pandemics

Customer Relations

Strengthen customer relations by providing access to state-of-the-art processes and services to ensure customer convenience in branches and on Alternate Delivery Channels ensuring satisfaction and privacy all the times with honesty and integrity as core values in Business operations.

Governance

Protecting Human rights, ensuring transparency, taking measure for anti-corruption & curtailing money laundering, terrorist financing and proliferation financing, adopting best business practices, improving stakeholder relations through responsible marketing

CSR Activities:

Community service is a cornerstone of OLPMs Corporate Social Responsibility (CSR) initiatives. The CSR of Modaraba primarily focuses on Health, Education, Sports, General Welfare and Art & Culture. The Bank prioritizes the education and health sectors as key areas for its philanthropic contributions. Through regular donations and support, the OLPM aims to make a positive impact on these essential sectors and improve the well-being of the communities. As part of its ongoing stakeholder engagement initiatives, Modaraba actively seeks feedback from both internal and external stakeholders, with a particular focus on the Modaraba activities designed to generate positive social and environmental outcomes for the broader community.

Employee Well-being:

Wellness Week is a dedicated, week-long initiative designed to prioritize and promote holistic health, including physical, mental, and emotional well-being, across schools, workplaces, and communities. The primary purpose of this event is to raise awareness about the importance of a balanced lifestyle and to inspire individuals to build sustainable, healthy habits. Throughout the week, participants engage in a wide variety of activities, including day of gratitude, Mindfulness and Meditation, Awareness Session on ESG, Workplace hygiene, Cricket Match, mindful eating, and mental resilience. By stepping away from standard routines to focus on self-care, individuals learn valuable strategies to boost their concentration, enhance their mood, and mitigate chronic health risks. Ultimately, Wellness Week serves as a powerful motivator, transforming abstract health concepts into a shared, supportive, and engaging community experience.





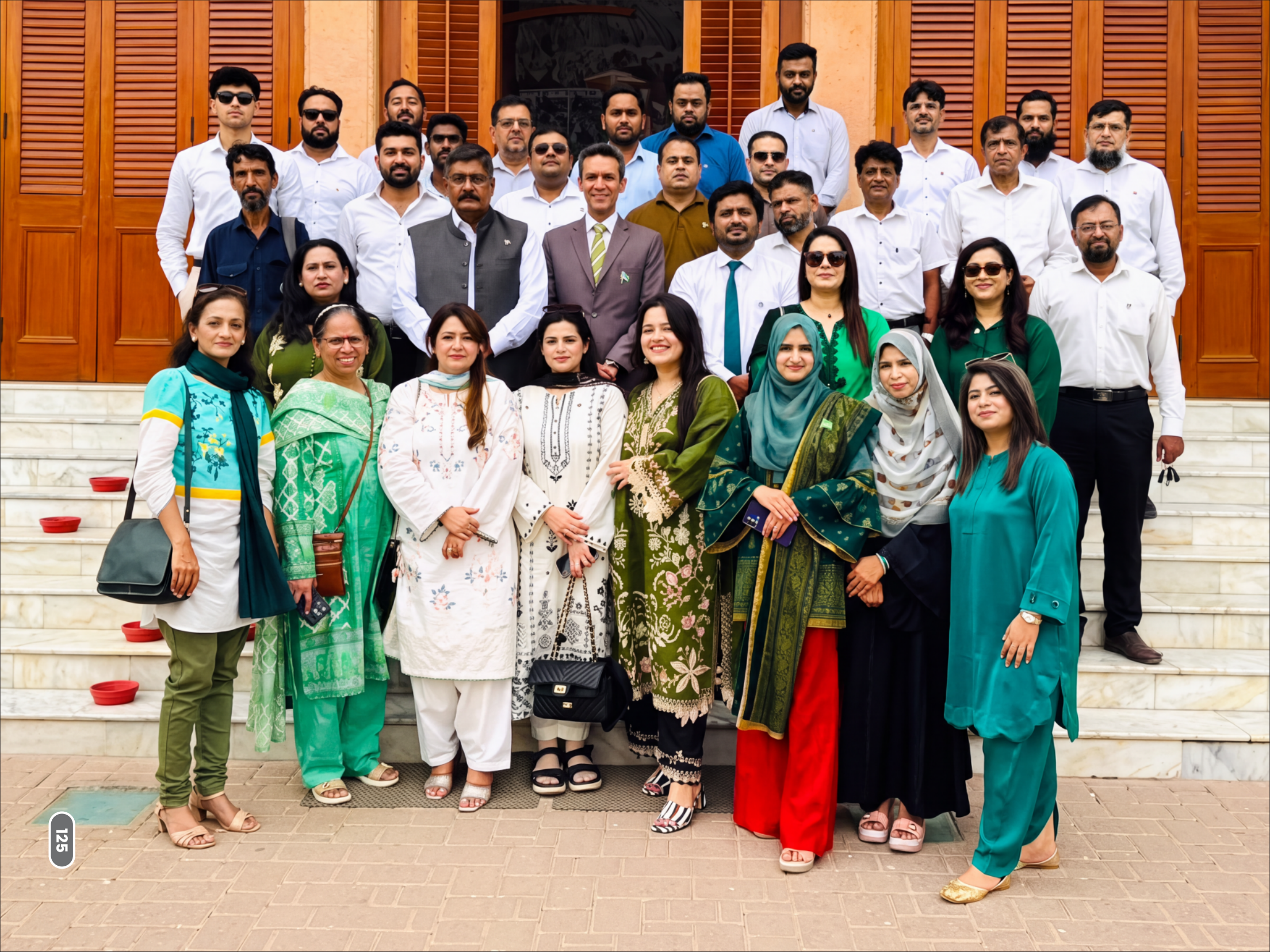












Beach Cleaning & Employee Engagement Activities:

As part of our commitment to employee well-being and environmental stewardship, OLP Modaraba organized a full day Employee Engagement Activities are designed and experiences designed to connect team members to each other and secure their emotional buy-in to their work. Implementing these activities helps build a strong company culture, increases retention, and keeps teams motivated.

Beyond fun and relaxation, team also took part in Beach cleaning activity, contributing to a cleaner coastline and raising awareness about the harmful effects of plastic pollution. This initiative reflected our belief that wellness and responsibility go hand in hand empowering employees to enjoy their time while making a positive difference for the environment.








CUSTOMER FOCUS
OWNERSHIP
INNOVATION



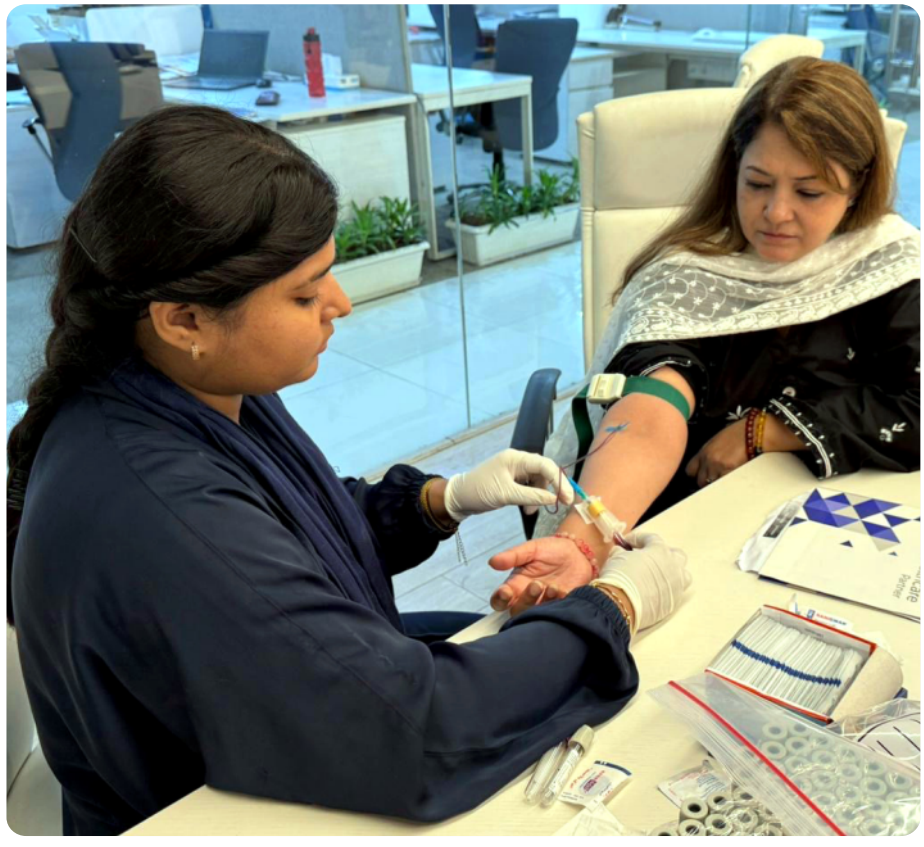




Health & Wellness:

Medical Camp & Awareness Session on Healthy work life Balance

OLP Modaraba in collaboration with Chughtai Lab organized a Medical Camp at its office premises as part of its employee wellness initiative. The camp offered complimentary basic health screening discounted rates on additional medical tests and free consultations with General physicians ensuring accessible healthcare support for our team in a convenient and caring environment.



Physician / Consultant / Doctor was arranged for a comprehensive awareness session on maintaining a healthy work-life balance to promote employee well-being which is essential for protecting your mental and physical health, sustaining long-term productivity, and fostering meaningful personal relationships. It is not a luxury or a one-time achievement, but a continuous cycle of re-evaluating your choices so that your profession supports your life rather than consuming it. When work and personal activities are in harmony, individuals experience greater overall fulfillment.



PINKTOBER:

OLP Modaraba always emphasized on educate its employees and it is a global campaign dedicated to Breast Cancer Awareness Month, held annually throughout the entire month of October. Its primary goals are to raise awareness about breast cancer, educate the public on the critical importance of early detection, and raise vital funds for research, prevention, diagnosis, and treatment.

Renowned oncologists provided sessions on the awareness of breast cancer risk factors and the importance of regular screenings. These sessions proactive health care practices and underscored OLPMs commitment to the welfare of its employees.

The movement heavily utilizes the pink ribbon as its universal symbol of solidarity and hope.







EMPLOYEE EMPOWERMENT:

OLP Modaraba emphasize and promotes gender equality and empowering women at the workplace, OLPM presented a special giveaway to all female employees and a presentation was designed to share the awareness and importance of women day. This initiative reflects our alignment with national efforts to foster an inclusive society where women are encouraged to lead, thrive and actively participate across all sectors of the economy.

STRENGTHENING COMMUNITY AND CULTURE:

OLP Modaraba continuous put efforts to foster workplace development of culture programming that values in learning, diversity and national pide. As part of OLPM efforts to enrich employee experiences beyond the conventional workplace provided an engaging educational opportunity that offered insights into Pakistan's rich heritage of art, history, science and culture.

Our office celebrated Independence Day with immense patriotism, vibrant energy, and a shared sense of national pride. The entire workspace was beautifully transformed with green and white decorations, featuring miniature national flags, elegant drapes, and creative desk arrangements. Aligning with the festive spirit, all employees arrived looking sharp in traditional attire adhering to a dedicated green and white dress code. The celebration commenced with a formal flag-hoisting ceremony led by the management, followed by a deeply moving rendition of the national anthem that filled the room with unity. Head Office Employees participated in a special visit to the historic Mohatta Palace Museum in Clifton, Karachi, offers a serene escape into the city's grand architectural past. Built in 1927 Mohatta as a summer home, the palace stands out for its magnificent Anglo-Mughal and Rajasthani design, combining vibrant pink Jodhpur stone with local yellow Gizri stone. it has since been restored into a premier museum that showcases temporary art exhibitions and heritage collections from across Pakistan. Islamabad Team visited, Islamabad Museum of Pakistan showcasing Pakistan's chronological history from two-million-year-old Stone Age tools to the Mughal era via artifacts. Lahore Team visited the country's oldest cultural institution; the Lahore Museum seeks to educate its visitors about Pakistan's deep and diverse histories through its collection which spans the pre-historic period to the present day. The Lahore Museum's mission is to conserve and promote Pakistan's cultural, visual and material heritage.

The memorable day concluded on a high note with a delicious lunch featuring national cuisine and a distribution of sweets, leaving everyone motivated and deeply connected to their roots.








OF
PAKISTAN



STAKEHOLDERS




EMPLOYEES
CUSTOMERS
GOVERNMENT & REGULATORS
SUPPLIERS
ENVIRONMENT
OMMUNITIES

STAKEHOLDERS RELATIONSHIP AND ENGAGEMENT

The main philosophy followed by the OLPM, has been to create value for all stakeholders through fair business practices. This translates into policies approved by the Board of Directors that ensures that systems and controls are in place so that Clients are treated fairly and full regard is taken of their interests as required by the entity's regulators.

OLPM maintains sound collaborative relationships with its stakeholders through engagement and provides a medium for clear, effective and consistent communication with all its stakeholders.

This helps to promote the reputation of the Modaraba and its management. Dialogues with investors, analysts and other stakeholders are also encouraged. Frequency of engagements is based on specific corporate requirements under the Code of Corporate Governance and with the objective to establish, promote and enhance the image of OLPM and its practices.

The table below acts as our statement by setting out the key stakeholder groups, their interests and how OLPM has engaged with them over the reporting period. However, given the importance of stakeholder focus, long-term strategy and reputation, these themes are also discussed throughout this Annual Report.

Stakeholder	Our Employees	Our suppliers	Our investors	Our Clients bodies	Regulatory	Community and Environment
Their interests	Training, development and career prospects Health and Safety Working conditions Diversity and Inclusion Human Rights Fair pay, employee benefits	Workers' rights Supplier engagement and management to prevent Fair trading and payment terms Sustainability and environmental impact Collaboration Long-term partnerships	Comprehensive review of financial performance of the business Business sustainability High standards of governance Success of the business Ethical behaviour Awareness of long-term strategy and direction	Timely and informative end to end service Ease of access to information Legal expertise Timeliness Safety Data security	Compliance with regulations Worker pay and conditions Health and Safety Brand reputation Waste and environment Insurance	Sustainability Human Rights Energy usage Recycling Waste Management Community outreach and CSR
How we engage	Workforce posters and communications Ongoing training and development opportunities Speakup procedures Employee benefits packages Staff intranet	Initial meetings and negotiations KPIs and Feedback Internal approval on significant changes to suppliers Direct engagement between suppliers and specified Modaraba contact	Regular reports and analysis for investors and Certificate holders Annual Report Modaraba website ARM Stock exchange announcements Dedicated investor relations resource for Certificate holder liaison	Client support service Modaraba reports Marketing and communications Client feedback Annual Report ARM Modaraba Website	Modaraba website Stock exchange announcements Annual Report Direct contact with regulators Compliance updates at Board Meetings Consistent risk review	Philanthropy Oversight of corporate responsibility plans CSR initiative Workplace recycling policies and processes

Issues raised at last ARM

All the concerns raised by the Certificate holders during the ARM related to performance of the modaraba were adequately addressed by the CEO and CFO.





Encouragement of Minority Certificate holders to Attend the Annual Review Meetings

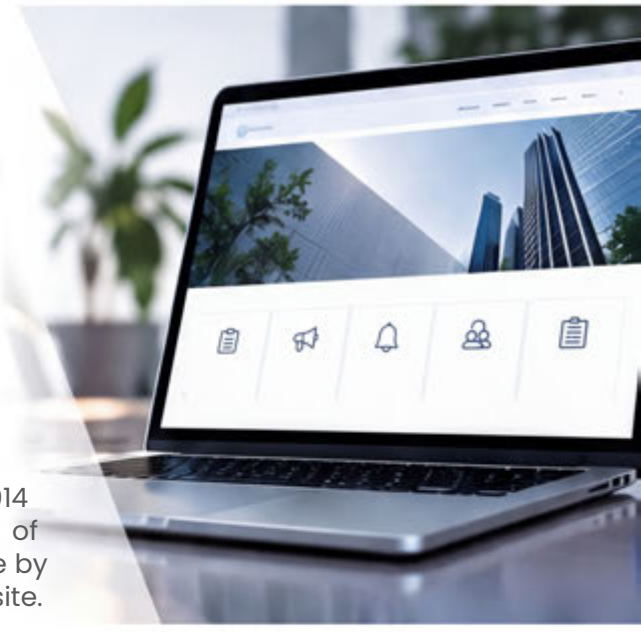
The Modaraba encourages its Certificate holders to attend the Annual Review Meetings. It circulates the notice of review meetings well within regulatory timeframe. Moreover, advertisement is published in Urdu and English newspapers.

The Modaraba timely updates its website with respect to all notices of Annual Review Meeting / Board Meetings / other Regulatory Compliances.

Investor Relations Section on Website

We are continuously exploring new opportunities to create further value for our certificate holders and investors to give them a better return on their investments. The website of OLPM (www.olpmodaraba.com) is one such medium to generate awareness and provide reliable information to the investors. Detailed Modaraba information is provided on the website which includes but not limited to financial reports, investors notices/announcements, pattern of certificate holding, dividend declarations etc. The investor relations section is comprehensively covered on the website of OLPM which is regularly updated.

The Modaraba is also in full compliance with the SRO 634(I)/2014 dated July 10, 2014 issued by SECP regarding maintenance of functional website by listed companies. A Compliance Certificate by the Chief Executive under the said SRO is also placed on the website.





Summary of the analyst briefing, if any, taken place during the year

On 28 October 2025, a Corporate Briefing Session was organized by OLPM for its stakeholders, analysts. The detail of which can be viewed from OLPM website www.olpmodaraba.com

Highlights about redressal of investors' complaints.



The management of the Modaraba is committed to provide equal and fair treatment to all investors/certificate holders through transparent investor relations, increased awareness, effective communication, and prompt resolution of investors'/ certificate holders' complaints. In order to promote investor relations and facilitate access to the Modaraba for grievance / other query registration, a specific 'investors' relations' section is also maintained for the purpose on the Modaraba 's website, During the year under review no formal complaints was lodged by any certificate holder of the Modaraba.

Steps board has taken to solicit and understand the views of stakeholders through corporate briefing sessions;

Modaraba's certificate holders comprise of a vast section of investors, which include, mutual funds, investment companies, insurance companies, foreign shareholders, pension funds, high net worth individuals, housewives, professionals and individuals of varied requirements. The Modaraba regularly interacts with all categories of certificate holders, through its Annual, Half-yearly and Quarterly reports, Annual Review Meeting, Intimation of Material information through PSX PUCAR's portal as well as press release and publication on OLPM website. etc. The Chief Executive Officer and the Chief Financial Officer remain available to respond to any certificate holder / investor's query in person or on telephone as well as our dedicated email ID i.e. askus@olpmodaraba.com. The Chief Executive Officer regularly updates the non-executive members of the views of the major certificate holders about the Modaraba.

OLP Modaraba continues to maintain a healthy relationship with the Investor community by holding Corporate Briefings annually, whereby the Modaraba apprises the Local & Foreign Investor base about the entity's business environment as well as the economic indicators of the country. The Modaraba also takes this as an Opportunities to brief analysts regarding its performance, investment decisions, and challenges along with business outlook.



Pattern of holding of certificates by the certificate-holders as at June 30, 2026

Number of Certificate holders	Certificate holding From	To	Total Certificates held
1,585	1	50	29,139
629	51	100	46,423
3,502	101	500	1,044,530
965	501	1,000	749,439
1,030	1,001	5,000	2,307,222
171	5,001	10,000	1,287,237
306	10,001	375,000,000	39,919,540
8,188			**45,383,530**

Certificate-holders Category	Number of Certificate-holders	Number of Certificate Held	Percentage %
INDIVIDUAL	8,107	27,302,720	60.16
FINANCIAL INSTITUTIONS *	11	9,076,719	20.00
INVESTMENT COMPANIES	-	-	-
INSURANCE COMPANIES	11	1,423,428	3.14
MODARABAS / MODARABA MANAGEMENT COMPANIES**	7	4,572,201	10.07
JOINT STOCK COMPANIES	29	1,930,678	4.25
OTHERS	23	1,077,784	2.37
	8,188	**45,383,530**	**100.00**

* Includes OLP Financial Services Pakistan Limited (4,538,353 Certificates)
** Includes OLP Services Pakistan (Private) Limited (4,538,353 Certificates)

OLP MODARABA
Additional Information as at June 30, 2026

Categories of Certificate-holders	Number	Certificates held	Percentage
Associated Companies, Undertakings and Related Parties			
OLP FINANCIAL SERVICES PAKISTAN LIMITED		4,538,353	10.00
OLP SERVICES PAKISTAN (PRIVATE) LIMITED		4,538,353	10.00
	2	9,076,706	20.00
Mutual funds			
CDC - TRUSTEE NATIONAL INVESTMENT (UNIT) TRUST	1	3,677,560	8.10
Directors, CEO & their Spouse and Minor Children			
MR. SHAHEEN AMIN	1	100,000	0.22
Executives	-	-	-
Public Sector Companies and Corporations	2	11,116	0.02
Banks, Development Finance Institutions, Non-Banking Finance Institutions, Insurance Companies, Modarabas	23	2,307,220	5.08
Certificate-holders holding five percent or more certificates in the Modaraba (other than those reported above)	-	-	-

FUTURE OUTLOOK





FORWARD LOOKING STATEMENT

OLP Modaraba (formerly ORIX Modaraba) stands as one of the most resilient institutions in Pakistan's Islamic financial sector, backed by a **39-year track record** of stable profitability and regular dividend payout. As it navigates an evolving macroeconomic and regulatory landscape, its future outlook remains anchored in strong parentage, prudent risk management, and the accelerating demand for Shariah-compliant financing.

By leveraging its balance sheet strength and uncompromised regulatory compliance, OLP Modaraba will focus on digital transformation, use of AI to further improve the entire business cycle, and sustainable financing to maximize stakeholder value over the next decade.

Economic Outlook of Pakistan

Pakistan's economy, having stabilized through 2025 under the IMF-financing arrangement, with inflation briefly falling into single digits and the discount rate reduced significantly, has since faced renewed pressures in 2026 amid the Middle East conflict, with inflation resurging into double digits and the State Bank reversing course to raise the policy rate to safeguard price stability. This may pose a risk on the revenue side; however, since our resources are well deployed and based on spreads, we see this as an opportunity rather than a threat. The government's continued progress under the IMF program, with the third review of the Extended Fund Facility and second review of the Resilience and Sustainability Facility successfully completed, continues to provide an anchor for macroeconomic stability going forward.

Future Outlook of OLPM

OLPM strategy remains maintaining the growth momentum, asset quality, increasing profitability and product mix. We aim to target new market niches and plan to cautiously enhance our exposure SMEs as well as in Consumer Auto business. Given the circumstances, we understand that we need to be both agile and adaptable and our processes need to be robust and effective to avoid any untoward risk taking. In line with the same, OLPM has a Principals Committee to assess and plan our behavior to the ever-changing operating environment. Amongst other things, OLPM also focuses on IT and system's transactional capability to further improve process efficiency thus ensuring client's satisfaction by reducing turnaround time without compromising on the control environment. As the focus is to grow, acquiring and retaining the right quality of human resource will be critical. Accordingly, OLPM will also continue to invest in learning and development of its staff¬ i.e., on the job learning, learning from others and formal training. We believe that Islamic financing has a bright future in Pakistan. We continue to contribute a fair share to the growth of Islamic financing in the country specifically targeting the SME sector.

The outlook and Forecasts based on projections and plans for the future in this report are based on management's beliefs and assumptions drawn from current expectations, estimates, forecasts and projections. These expectations, estimates, forecasts and projections are gleaned from research, historical trend analysis and the management believes that we have the necessary wherewithal to adapt should risks and uncertainties arise that may cause actual results to differ materially from those indicated in any forward-looking statement.

In the long term our aim is to ensure sustainability of earnings and creation of sustainable value for our stakeholders and employees. Our plans and direction, honed and amended from time to time, are geared towards obtaining this objective.

Explanation as to how the performance of the company meets the forward-looking disclosures.

OLP Modaraba manages and monitors risk exposure very prudently. We regularly evaluate our portfolio to ascertain risks associated with our existing customers and adjust risk classification of those customers accordingly. Credit policies are regularly aligned with changing dynamics. Stricter monitoring and data gathering is also in place for existing clients.

While reviewing credit policies, due weightage is given to various geographies, business sectors and their ability to sustain any future business disruptions. Our proactive and well-defined risk management approach has always helped us to maintain a leading position in the Modaraba sector. We have also performed a thorough review of all departments' process flows to remove any bottlenecks, improving efficiency through use of technology, reducing use of

paper, providing appropriate training to staff, and maintaining high corporate governance standards.

In addition to above the board of directors has thoroughly reviewed the Term of References (TORs) of the Board and its Committees in order to remain effective in discharging their duties in line with the Listed Companies Code of Corporate Governance 2019.

Key Business Growth Forecasts

While taking into consideration the ongoing regional challenges and local economic macro-economic factors, OLP Modaraba has finalized its business strategy for FY-26/27, with following major goals:

- To further grow our market share by onboarding new customers
- Maintaining portfolio health through diversification in stable sectors and increased client base
- Improving Asset / Liability profile through generation of medium to long term funds/deposits
- Further strengthening Risk Management and Shariah Compliance frameworks and continuing with strong internal control management and compliance culture.
- To improve our operational efficiency by revamping our IT infrastructure

The business strategy for FY-26/27 may be impacted by

- Further prolonging of ongoing Middle East conflict
- Non-stabilization of energy prices thus resulting in higher inflation
- Internal political stability
- Any adverse impact on international trade
- Any other force majeure

Sources of information and assumptions used for projections / forecasts in the forward-looking statement and assistance taken by any external consultant.

The future projections and forecasts are made by making certain assumptions, keeping in mind the macroeconomic conditions, historical trends, and prospective developments, as well as other factors that might impact the Financial Sector in which we operate. The external information, such as macroeconomic factors, market dynamics, etc. is obtained through various research publications and forums, such as IMF, World Bank, Asian Development Bank, SBP, ICAP, APCMA, PBC, etc. On the other hand, internal information is obtained through a collaborative effort of various departments within the Modaraba. To make future projections, the management makes use of their best judgment and estimates. Whereas, the Board critically analyzes the budgets and forecasts while finalizing strategic objectives and way forward for the Modaraba.

OLP Modaraba is actively but cautiously embracing **Artificial Intelligence (AI)** to transform its operations, optimize risk management, and elevate the customer experience. As a forward-thinking Islamic financial institution, our future plan focuses on embedding intelligent automation and data-driven insights into our core services while strictly adhering to Shariah principles.

Through strategic AI roadmap, OLP Modaraba aims to redefine Islamic asset-backed financing, delivering superior value to our certificate holders while driving digital transformation in the Modaraba sector.

OLP Modaraba plans to evaluate use of AI for the following:

- **Enhanced Operational Efficiency:** Automating routine administrative tasks will significantly lower operational costs, shorten turnaround times for financing approvals, and maximize resource allocation.
- **Proactive Risk Mitigation:** Advanced AI models will improve fraud detection and provide early warning signals for potential defaults, protecting stakeholder capital and strengthening the portfolio's resilience.
- **Personalized Customer Experience:** By analyzing customer behavior and market trends, AI will enable us to design and offer tailor-made, Shariah-compliant financial solutions that meet the evolving needs of our clients.
- **Data-Driven Decision Making:** Shifting from reactive reporting to predictive forecasting will empower our management team to identify market opportunities and navigate economic shifts with greater precision.

PERFORMANCE





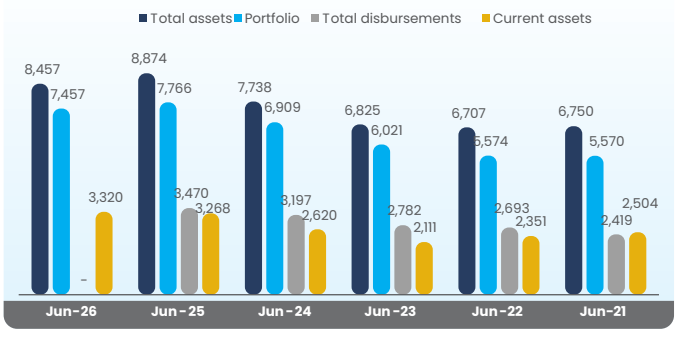
OLP MODARABA

		June 30, 2026	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021
KEY FINANCIAL DATA (Rupees in Million)							
Total assets		8,457	8,874	7,738	6,825	6,707	6,750
Portfolio		7,457	7,766	6,909	6,021	5,574	5,570
Total disbursements		3,114	3,470	3,197	2,782	2,693	2,419
Current assets		3,320	3,268	2,620	2,111	2,351	2,504
Total liabilities		7,082	7,547	6,495	5,648	5,569	5,592
Current liabilities		4,756	6,657	5,459	4,638	3,690	3,902
Financing from financial institutions		953	1,086	1,232	1,650	1,587	1,398
Redeemable capital and deposits		5,574	5,961	4,688	3,393	3,487	3,827
Certificate-holders' fund (cum dividend)		795	748	665	598	566	592
Reserves		579	579	579	579	572	567
Certificate-holders' equity		1,374	1,327	1,244	1,177	1,138	1,159
Revenues from operations (net off depreciation)		1,299	1,574	1,643	1,281	786	749
Financial charges		700	955	1,091	826	420	348
Impairment loss / (reversal) against doubtful debts		38	53	15	-6	-7	38
Net Profit		161	174	158	129	112	153
Dividend including Bonus certificates		113	113	91	91	91	132
SUMMARY OF CASH FLOW							
Cash and cash equivalents at beginning of the year		455	330	400	514	769	1,038
Net cash generated from /(used in) operating activities		982	-95	-1,034	-22	-93	271
Net cash generated from/(used in) investing activities		213	264	84	53	16	37
Net cash generated from / (used in) financing activities		-971	-44	880	-145	-178	-577
Net Increase / (decrease) in cash and cash equivalents		225	125	-70	-114	-255	-269
Cash and cash equivalents at end year		**679**	**455**	**330**	**400**	**514**	**769**
Profitability Ratios							
Profit before tax ratio	%	19.25	17.02	14.30	15.17	20.74	22.52
Gross Yield on Earning Assets	%	15.83	20.60	26.01	21.53	12.96	11.21
Gross Spread ratio	%	55.49	64.40	68.23	67.18	57.02	51.35
Cost/Income ratio	%	50.07	48.53	51.10	52.75	51.86	51.78
Return on Equity	%	11.90	13.54	13.03	11.12	9.71	13.07
Return on Capital employed	%	2.03	2.36	2.53	2.25	1.93	2.52
Liquidity Ratios							
Advances to deposits ratio		1.37	1.34	1.53	2.04	1.85	1.71
Current / Quick ratio		0.70	0.49	0.48	0.46	0.64	0.64
Cash to Current Liabilities	%	14.28	9.08	6.04	8.63	13.93	19.71
Investment /Market Ratios							
Dividend Yield ratio	%	10.01	13.32	14.68	17.70	12.50	16.57
Dividend Payout ratio	%	70.60	65.18	57.54	70.48	81.37	86.29
Cash Dividend per certificate (percent)	%	25	25	20	20	20	29
Cash Dividend per certificate	Rs.	2.50	2.50	2.00	2.00	2.00	2.90
Earnings per Certificate (EPC) basic and diluted	Rs.	3.54	3.84	3.48	2.84	2.46	3.36
Break-up Value per share	Rs.	30.28	29.24	27.40	25.93	25.09	25.53
Market value per certificate at the end of the year	Rs.	24.97	18.77	13.62	11.30	16.00	17.50
Market value per certificate - low	Rs.	18.84	13.70	13.70	11.00	14.99	16.01
Market value per certificate - high	Rs.	27.59	18.77	14.50	17.18	19.28	21.50
Dividend Cover ratio		1.42	1.53	1.74	1.42	1.23	1.16
Price Earnings ratio		7.05	4.89	3.92	3.98	6.51	5.21
Price to Book ratio		0.82	0.64	0.50	0.44	0.64	0.69

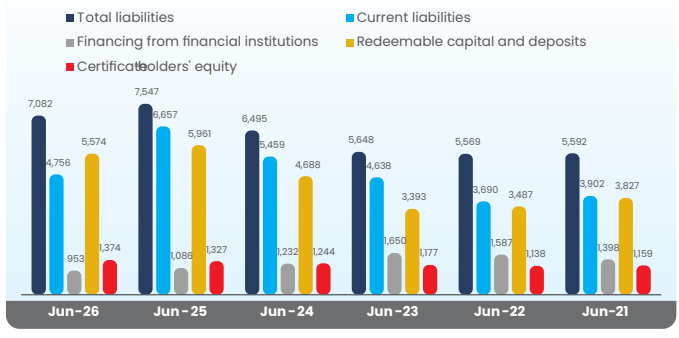
		June 30, 2026	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021
KEY FINANCIAL DATA (Rupees in Million)							
Capital Structure Ratios							
Earning assets to total assets ratio	%	96.21	94.33	93.55	94.10	90.78	93.91
Weighted Average cost of deposit	%	8.83	13.45	20.09	14.53	7.87	5.95
Net assets per share	Rs.	30.28	29.24	27	26	25	26
Financial leverage ratio		4.65	5.10	4.44	3.86	4.04	4.01
Weighted average cost of debt	%	10.64	15.55	21.67	18.05	9.09	7.13
Financial Charges Cover ratio		1.35	1.26	1.21	1.23	1.36	1.44
Non performing portfolio							
Ijarah		74.93	87.62	100	40	54	67
Diminishing Musharaka		175.84	176.51	171	97	183	125
Housing Finance		-	-	4	-	-	2
Sukuks		-	-	-	-	58	58
Total		**236.63**	**306.54**	**274.52**	**136.71**	**294.33**	**249.87**

GRAPHS

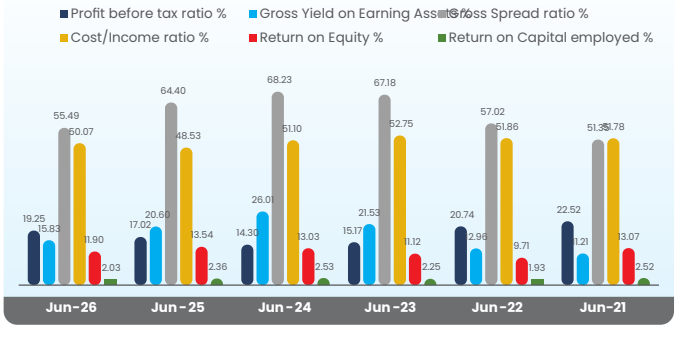
ASSETS



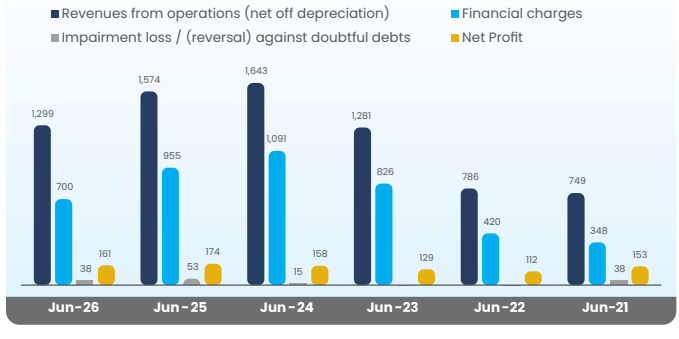
EQUITY & LIABILITIES



PROFITABILITY RATIOS

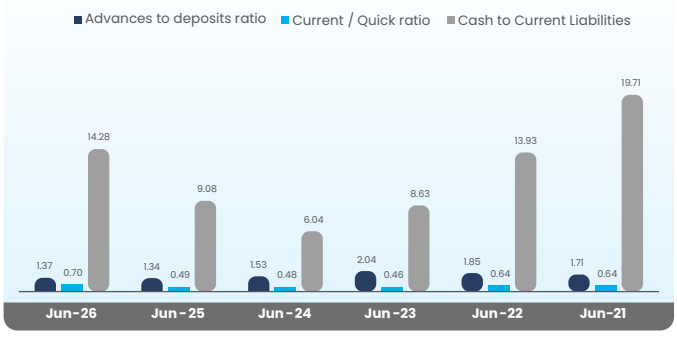


PROFIT & LOSS

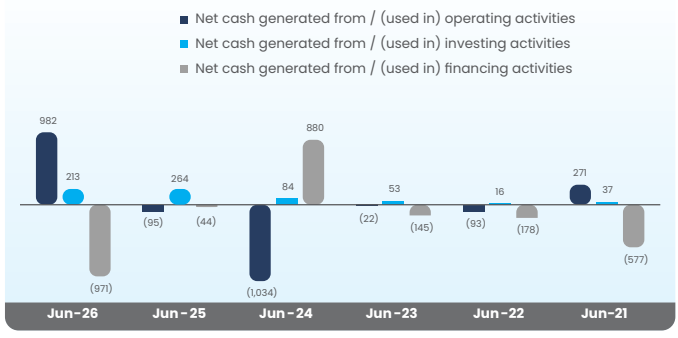


GRAPHS

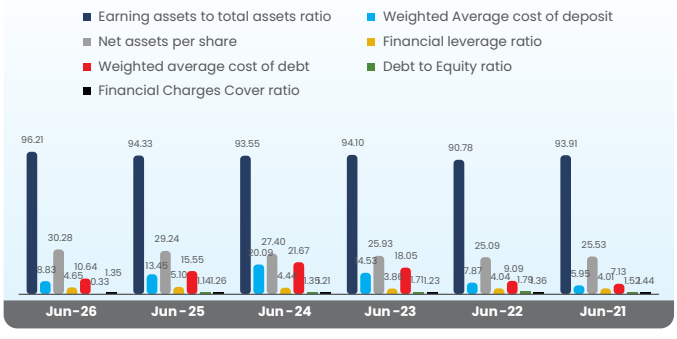
LIQUIDITY RATIOS



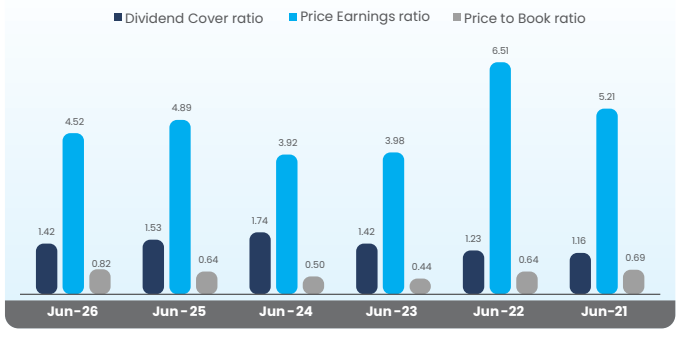
CASH FLOW



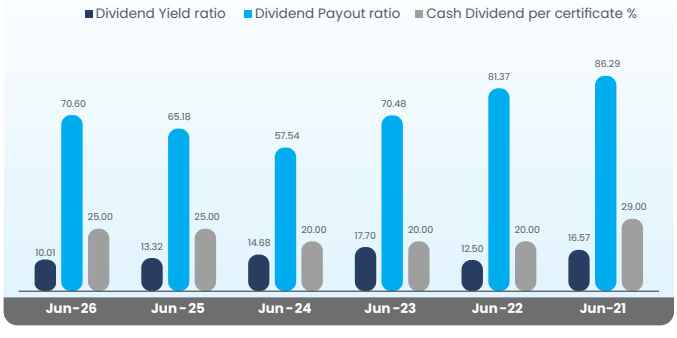
CAPITAL STRUCTURE RATIO



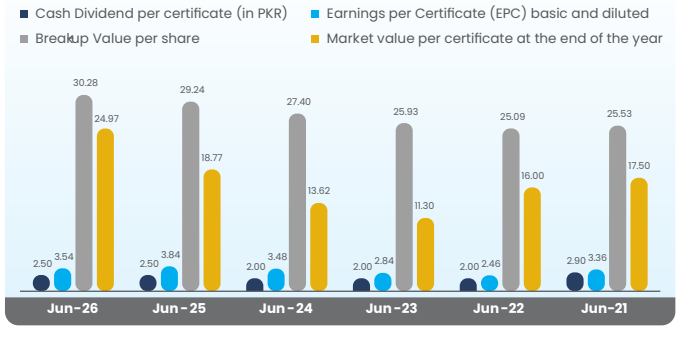
INVESTMENT/ MARKET RATIOS



INVESTMENT/ MARKET RATIOS



INVESTMENT/ MARKET RATIOS



COMMENTS ON KEY RATIOS COMPARED TO LAST YEAR

Profitability ratios:

During the year 2026, OLPM continued to manage its financing and funding costs effectively in a changing interest rate environment. Financial charges declined significantly to PKR 700 million from PKR 955 million in the previous year, supported by a reduction in the weighted average cost of deposits from 13.45% to 8.83% and the weighted average cost of debt from 15.55% to 10.64%. Despite the lower revenues from operations (net of depreciation) of PKR 1,299 million compared to PKR 1,574 million in the previous year, the profit before tax ratio improved from 17.02% to 19.25%.

The gross yield on earning assets declined from 20.60% to 15.83%, while the gross spread ratio decreased from 64.40% to 55.49%, reflecting the impact of lower financing yields during the year. The cost/income ratio increased marginally from 48.53% to 50.07%, primarily reflecting the reduction in the revenue base. Nevertheless, the reduction in financial charges helped partially offset the impact of lower operating revenues.

Return on equity moderated to 11.90% from 13.54%, while return on capital employed declined marginally to 2.03% from 2.34%, mainly reflecting the lower net profit of PKR 161 million compared with PKR 174 million in the previous year. Overall, OLPM maintained a stable financial position, supported by improved funding costs, stronger liquidity, and effective management of its financial resources amid changing market conditions.

Liquidity Ratios

The advances to deposits ratio increased slightly to 1.37 in 2026, as the reduction in redeemable capital and deposits was proportionately higher than the reduction in the financing portfolio. The current ratio improved to 0.70, mainly due to a decline in current liabilities, and remains consistent with industry norms for Financial Services Modarabas, where Ijarah assets are classified as fixed assets under IFAS-2, thereby impacting current asset levels. A notable further improvement was observed in the cash to current liabilities ratio, which increased to 14.28, reflecting a stronger liquidity position. This was driven by prudent cash flow management, a reduction in current liabilities and net cash generated from operating activities during the year, while maintaining adequate cash reserves to meet short-term obligations and financing commitments. OLPM maintained a robust liquidity buffer throughout the year, ensuring operational stability and readiness to capitalize on emerging opportunities. The overall liquidity profile remains sound and supports the Modaraba's strategic objectives.

Capital Structure Ratios

The earning assets to total assets ratio improved to 96.21%, reflecting consistent asset allocation and portfolio composition. The weighted average cost of deposit and debt declined significantly to 8.83% and 10.64%, respectively, primarily due to the continued downward movement in KIBOR during the year. This reduction in funding costs positively impacted the Modaraba's financial efficiency. Net assets per share increased to 30.28, indicating improved shareholder value and retained earnings. The financial leverage ratio declined to 4.65, reflecting a lower reliance on liabilities relative to equity. Additionally, the financial charges cover ratio improved to 1.35, signifying enhanced capacity to meet financial obligations. Overall, the capital structure remains robust and well-aligned with the Modaraba's long-term financial strategy.

Investment/ Market Ratios

The Dividend Yield ratio decreased to 10.01% in 2026 from 13.32% in the previous year, primarily due to the increase in the market value per certificate to PKR 24.97 at year-end, while the cash dividend per certificate remained unchanged at PKR 2.50 (25%). Despite the lower dividend yield, OLPM continues to provide consistent returns to its Certificate holders.

The Dividend Payout ratio also increased to 70.60% from 65.18%, as the cash dividend per certificate was maintained despite a decline in Earnings Per Certificate (EPC) to PKR 3.54. OLPM has maintained its commitment to delivering consistent returns to its Certificate holders, with the Dividend Cover ratio standing at 1.42 times (2025: 1.53 times).

These metrics, being directly linked to dividend distribution and profitability, underscore the Modaraba's continued focus on sustainable value creation and consistent returns for its Certificate holders.

Earnings per Certificate (EPC) basic and diluted

The decline in Earnings per Certificate (EPC) to PKR 3.54 reflects the lower net profit of PKR 161 million recorded during the year ended June 30, 2026 (2025: PKR 174 million). However, the increase in Break-up Value per Certificate to PKR 30.28 reflects continued growth in net assets and the financial stability of OLPM, supported by prudent management of resources.

The Price-Earnings (P/E) ratio increased to 7.05 in 2026 from 4.89 in the previous year, while the Price-to-Book (P/B) ratio increased to 0.82 from 0.64. The increase in both ratios primarily reflects the improvement in the market value of OLPM certificates during the year. Despite the increase, the Price-to-Book ratio remained below 1.00, indicating that the market value of the certificates remained below their Break-up Value at year-end.

The market value per certificate increased significantly to PKR 24.97 at year-end, compared to PKR 18.77 at the end of the previous year. During the year, the certificate traded at a high of PKR 27.59 and a low of PKR 18.84, reflecting an overall improvement in the market value of OLPM certificates and positive movement in investor sentiment during the year.

Non-Performing Portfolio:

During the current year, OLPM successfully recovered certain long-outstanding dues from non-performing clients. As a result, the total non-performing portfolio declined from PKR 264.13 million in 2025 to PKR 250.77 million in 2026. The non-performing Ijarah portfolio decreased from PKR 87.62 million to PKR 74.93 million, while the non-performing Diminishing Musharaka portfolio decreased marginally from PKR 176.51 million to PKR 175.84 million.

OLPM remains committed to maintaining the quality of its financing portfolio and continues to actively monitor and manage non-performing exposures. Focused recovery strategies and ongoing client engagement initiatives are being pursued to mitigate credit risk, strengthen portfolio quality, and support further improvement in asset quality in the coming periods.

HORIZONTAL ANALYSIS

BALANCE SHEET (%)

	June 30, 2026	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021
ASSETS						
Current assets						
Cash and bank balances	12.33	83.41	(17.65)	(22.15)	(33.14)	(25.92)
Ijarah rentals receivable	(76.79)	(51.72)	(32.71)	(16.83)	9.92	(36.95)
Advances, deposits, prepayments and other receivables	(43.90)	(16.41)	149.67	(60.77)	45.95	88.50
Short term investments	(99.97)	(54.48)	183.32	100.00	-	-
Current portion of Diminishing Musharika	14.59	44.08	12.00	1.71	(2.10)	34.76
Current portion of net investment in Ijarah finance	-	-	-	(100.00)	-	-
Taxation recoverable	-	-	-	-	(100.00)	13.94
Total current assets	1.59	24.06	24.77	(10.19)	(6.10)	5.95
Non - current assets						
Long-term portion of Diminishing Musharika	(1.02)	24.51	29.04	19.68	23.25	(11.01)
Ijarah assets	(56.02)	(41.51)	(22.60)	(10.13)	(19.29)	(14.74)
Deferred Taxation	16.88	164.47	(81.67)	88.15	100.00	-
Property and equipment	(24.11)	303.93	(3.85)	1.23	348.01	(26.65)
Total non-current assets	(8.37)	9.82	8.29	8.19	2.58	(13.04)
TOTAL ASSETS	(4.70)	14.67	13.39	1.75	(0.64)	(6.85)
LIABILITIES AND EQUITY						
Current liabilities						
Running musharika	(99.29)	100.00	-	-	-	-
Current portion of security deposits	(52.16)	0.42	(22.92)	5.75	(33.93)	20.02
Current portion of term finance arrangements	8.26	(43.69)	(46.95)	162.24	13.40	(25.77)
Current portion of lease liability	97.50	100.00	-	-	-	-
Accrued and other liabilities	14.07	(37.21)	10.43	11.87	23.58	(0.52)
Advance Ijarah rentals received	-	(100.00)	180.89	(51.78)	(62.71)	(60.47)
Current portion of redeemable capital	(31.89)	34.63	52.56	4.58	(10.63)	(24.14)
Provision for taxation - net	28.81	31.47	(57.98)	112.22	100.00	-
Unclaimed profit distribution	5.71	38.70	(2.85)	0.88	2.37	(1.21)
Total current liabilities	(28.56)	21.95	17.70	25.70	(5.44)	(20.96)
Non - current liabilities						
Long-term portion of security deposits	(51.47)	(45.32)	(17.44)	4.33	(6.26)	(10.94)
Long-term portion of term finance arrangements	(1.11)	(5.75)	23.83	(56.19)	13.62	40.41
Long-term portion of lease liability	(33.96)	100.00				
Long-term portion of redeemable capital	1,505.29	(28.30)	(20.67)	(56.82)	21.04	778.39
Total non - current liabilities	161.43	(14.09)	2.57	(46.25)	11.20	48.86
TOTAL LIABILITIES	(6.15)	16.20	14.99	1.43	(0.41)	(7.91)
CERTIFICATE HOLDERS' EQUITY						
Authorised certificate capital						
50,000,000 (June 30, 2025: 50,000,000) certificates of Rs. 10 each	-	-	-	-	-	-
Certificate capital						
Issued, subscribed and paid-up certificate capital						
28,500,000 certificates of Rs. 10 each issued as fully paid in cash	-	-	-	-	-	-
16,883,530 certificates of Rs. 10 each issued as fully paid bonus certificates	-	-	-	-	-	-
	-	-	-	-	-	-
Capital reserve	-	0.00	-	1.12	0.98	1.36
Unappropriated profit	16.06	39.51	46.54	28.11	(18.59)	(14.52)
	3.56	6.70	5.69	3.34	(1.73)	(1.35)
TOTAL LIABILITIES AND EQUITY	(4.70)	14.67	13.39	1.75	(0.64)	(6.85)

VERTICAL ANALYSIS

BALANCE SHEET (%)

	June 30, 2026	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021
ASSETS						
Current assets						
Cash and bank balances	8.03	6.81	4.26	5.86	7.67	11.39
Ijarah rentals receivable	0.09	0.38	0.90	1.52	1.86	1.68
Advances, deposits, prepayments and other receivables	2.24	3.80	5.21	2.37	6.14	4.18
Short term investments	0.00	1.80	4.53	1.81	-	-
Current portion of Diminishing Musharika	28.90	24.04	19.13	19.37	19.38	19.66
Current portion of net investment in Ijarah finance	-	-	-	-	0.01	0.01
Taxation recoverable	-	-	-	-	-	0.16
Total current assets	39.26	36.83	34.04	30.94	35.05	37.09
Non - current assets						
Long-term portion of Diminishing Musharika	55.44	53.38	49.16	43.20	36.73	29.61
Ijarah assets	3.83	8.30	16.28	23.85	27.00	33.24
Deferred Taxation	0.79	0.65	0.28	1.73	0.94	-
Property and equipment	0.67	0.84	0.24	0.28	0.28	0.06
Total non-current assets	60.74	63.17	65.96	69.06	64.95	62.91
TOTAL ASSETS	100.00	100.00	100.00	100.00	100.00	100.00
LIABILITIES AND EQUITY						
Current liabilities						
Running musharika	0.01	1.76	-	-	-	-
Current portion of security deposits	0.74	1.48	1.69	2.48	2.39	3.59
Current portion of term finance arrangements	4.38	3.86	7.86	16.80	6.52	5.71
Current portion of lease liability	0.18	0.09	-	-	-	-
Accrued and other liabilities	3.88	3.24	5.93	6.08	5.53	4.45
Advance Ijarah rentals received	-	-	0.06	0.02	0.05	0.14
Current portion of redeemable capital	44.95	62.89	53.57	39.81	38.74	43.07
Provision for taxation - net	1.09	0.80	0.70	1.89	0.91	-
Unclaimed profit distribution	1.00	0.90	0.74	0.87	0.88	0.85
Total current liabilities	56.24	75.02	70.54	67.96	55.01	57.81
Non - current liabilities						
Long-term portion of security deposits	0.85	1.66	3.49	4.79	4.67	4.95
Long-term portion of term finance arrangements	6.88	6.63	8.06	7.38	17.15	14.99
Long-term portion of lease liability	0.41	0.59				
Long-term portion of redeemable capital	19.38	1.15	1.84	2.63	6.20	5.09
Total non - current liabilities	27.51	10.03	13.39	14.80	28.01	25.03
TOTAL LIABILITIES	83.75	85.05	83.93	82.76	83.02	82.84
CERTIFICATE HOLDERS' EQUITY						
Authorised certificate capital						
50,000,000 (June 30, 2025: 50,000,000) certificates of Rs. 10 each	5.91	5.63	6.46	7.33	7.45	7.41
Certificate capital						
Issued, subscribed and paid-up certificate capital						
28,500,000 certificates of Rs. 10 each issued as fully paid in cash	3.37	3.21	3.68	4.18	4.25	4.22
16,883,530 certificates of Rs. 10 each issued as fully paid bonus certificates	-	-	-	-	-	-
	2.00	1.90	2.18	2.47	2.52	2.50
	5.37	5.11	5.86	6.65	6.77	6.72
Capital reserve	6.85	6.52	7.48	8.48	8.53	8.40
Unappropriated profit	4.04	3.32	2.72	2.11	1.67	2.04
	16.25	14.95	16.07	17.24	16.98	17.16
TOTAL LIABILITIES AND EQUITY	100.00	100.00	100.00	100.00	100.00	100.00

HORIZONTAL ANALYSIS

PROFIT AND LOSS

	June 30, 2026	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021
Ijarah rentals earned	22.63	32.88	39.62	51.48	69.19	76.75
Dividend income	0.07	1.40	1.51	1.48	-	-
Income from diminishing musharika financing	73.36	61.98	54.14	43.80	28.47	20.94
Profit on bank balances	3.94	3.74	4.72	3.24	2.33	2.31
	100.00	100.00	100.00	100.00	100.00	100.00
Financial and other charges	(46.95)	(50.55)	(51.65)	(43.52)	(27.45)	(20.44)
Depreciation on ijarah assets	(15.40)	(21.51)	(24.30)	(35.22)	(51.86)	(60.18)
Impairment against ijarah assets	-	-	-	-	0.29	(0.07)
	37.66	27.94	24.05	21.26	20.97	19.30
ECL reversal / (charge) against ijarah rentals receivable - net	0.18	(0.49)	(1.15)	(0.97)	0.27	0.92
ECL charge against diminishing musharika - net	(2.71)	(2.28)	0.47	1.14	(0.07)	(2.92)
ECL charge against cash and bank	(0.01)	(0.02)	(0.03)	0.18	(0.06)	(0.15)
	35.11	25.15	23.35	21.60	21.12	17.15
Other income	2.50	4.77	2.13	2.75	3.22	4.24
Administrative and operating expenses	(18.83)	(14.52)	(13.02)	(12.85)	(12.62)	(11.07)
	18.78	15.40	12.46	11.51	11.72	10.31
Management Company's remuneration	(1.88)	(1.54)	(1.25)	(1.15)	(1.17)	(1.03)
Provision for services sales tax on Management Company's remuneration	(0.28)	(0.23)	(0.16)	(0.15)	(0.15)	(0.13)
Provision for workers' welfare fund	(0.33)	(0.27)	(0.22)	(0.38)	(0.41)	(0.18)
Profit before taxation	16.29	13.36	10.83	9.83	9.98	8.96
Taxation	(5.51)	(4.15)	(3.36)	(3.04)	(2.70)	-
Profit after taxation	10.78	9.21	7.47	6.79	7.29	8.96
Other comprehensive income for the year	-	-	-	-	-	-
Total comprehensive income for the year	10.78	9.21	7.47	6.79	7.29	8.96

VERTICAL ANALYSIS

PROFIT AND LOSS

	June 30, 2026	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021
Ijarah rentals earned	(45.70)	(25.74)	(14.32)	(7.83)	(18.86)	(13.00)
Dividend income	(95.80)	(17.03)	13.42	100.00	-	-
Income from diminishing musharika financing	(6.62)	2.47	37.60	90.57	22.37	(22.11)
Profit on bank balances	(16.95)	(29.06)	62.12	72.16	(9.13)	(30.48)
	(21.10)	(10.49)	11.31	23.89	(10.00)	(15.56)
Financial and other charges	(26.73)	(12.39)	32.10	96.42	20.83	(41.93)
Depreciation on ijarah assets	(43.51)	(20.79)	(23.20)	(15.87)	(22.45)	(10.80)
Impairment against ijarah assets	-	-	-	(100.00)	(444.09)	(100.00)
	6.32	3.99	25.93	25.58	(2.19)	22.53
ECL reversal / (charge) against ijarah rentals receivable - net	(127.99)	(61.48)	31.30	(540.26)	(73.30)	100.00
ECL charge against diminishing musharika - net	(6.28)	(532.64)	(53.88)	(2,185.13)	(97.91)	381.33
ECL charge against cash and bank	(71.43)	(46.96)	(118.34)	(493.13)	(66.51)	(100.00)
	10.16	(3.58)	20.31	26.69	10.84	13.26
Other income	(58.71)	100.75	(13.94)	5.99	(31.66)	11.33
Administrative and operating expenses	2.31	(0.15)	12.80	26.08	2.58	7.21
	(3.78)	10.65	20.49	21.67	2.26	19.66
Management Company's remuneration	(3.78)	10.65	20.49	21.67	2.26	19.66
Provision for services sales tax on Management Company's remuneration	(3.78)	27.67	20.49	21.67	2.26	19.66
Provision for workers' welfare fund	(3.78)	10.40	(35.10)	13.87	102.86	19.66
Profit before taxation	(3.78)	10.40	22.64	21.99	0.20	19.66
Taxation	4.89	10.49	22.98	39.64	(100.00)	-
Profit after taxation	(7.68)	10.36	22.48	15.45	(26.86)	19.66
Other comprehensive income for the year	-	-	-	-	-	-
Total comprehensive income for the year	(7.68)	10.36	22.48	15.45	(26.86)	19.66

CASH FLOW

FOR THE YEARS ENDED JUNE 30, 2026 (BY DIRECT METHOD)

	June 30, 2026	June 30, 2025
	---------- (Rupees) ----------	
Ijarah Rental Collection	365,864,676	654,406,361
Diminishing Musharaka's repayment proceeds	2,810,350,047	1,888,342,217
Diminishing Musharaka's profit receipts	1,098,102,601	1,317,269,570
Ijarah Disbursements (net off security deposits)	(18,831,420)	(469,968,805)
Diminishing Musharaka disbursements	(3,118,000,000)	(3,466,309,039)
Net proceeds from Ijarah assets disposals	69,240,831	641,576,545
Financial charges paid	(668,270,730)	(912,269,632)
Management company's remuneration	(29,103,352)	(26,302,197)
Salaries & staff benefits	(176,363,451)	(182,581,325)
Documentation fee & others from customers	45,385,564	25,623,244
Payments for operating expenses	(12,404,611)	(79,306,630)
Taxes, duties, levies, charity & advance payments	(10,126,283)	(70,897,287)
Investments	159,693,703	(191,182,831)
Net cash generated from operating activities	**515,537,575**	**(871,599,810)**
Net cash generated from investing activities	**53,753,641**	**72,638,177**
Net cash generated from financing activities	**(344,661,678)**	**923,913,764**
Net cash generated from operations	**224,629,538**	**124,952,131**
Cash & cash Equivalent at beginning of the year	454,579,710	329,627,579
Cash & cash Equivalent at end of the year	**679,209,248**	**454,579,710**

	June 30, 2026	June 30, 2025
	---------- (Rupees) ----------	
Free cashflows		
Net cashflow used in operating activities	515,537,575	(871,599,810)
Net funds from bank financing	(21,762,974)	325,117,384
Net movement in deposits	(242,561,097)	262,642,335
Fixed capital expenditure	(2,885,502)	(6,291,357)
Free cashflows	**248,328,002**	**(290,131,448)**

SEGMENT INFORMATION

	2026			
	Finances and loans	Ijarah	Investment in subsidiaries, associates & others	Total
	(Rupees)			
Segment revenues	1,117,135,674	351,258,430	59,957,107	1,528,351,211
Finance cost	602,121,507	65,562,673	32,316,096	700,000,276
Administrative and general expenses	269,219,643	29,314,282	14,449,123	312,983,048
Direct cost	-	229,617,864	-	229,617,864
(Reversal) / Provision-net	40,444,870	(2,613,136)	-	37,831,734
Other provision /(reversals) - net	-		92,448	92,448
Segment results	**205,349,654**	**29,376,747**	**13,284,336**	**247,825,841**
Provision for Workers' Welfare Fund	(4,106,993)	(587,535)	(265,687)	(4,956,517)
Provision for taxation	(68,081,720)	(9,739,580)	(4,404,295)	(82,164,295)
Profit for the period	**141,374,927**	**20,224,702**	**9,145,728**	**160,705,029**
Other information				
Segment assets	7,132,460,880	331,845,940	679,158,503	8,143,465,323
Unallocated assets	-	-	-	313,045,886
Total assets				**8,456,511,213**
Segment liabilities	5,751,538,030	401,878,117	533,087,927	6,686,514,074
Unallocated liabilities				395,848,451
Total liabilities				**7,082,362,525**
Capital expenditure	2,482,032	270,259	133,212	2,885,502
Depreciation	5,774,888	628,805	309,941	6,713,634

DUPONT ANALYSIS



Revenue:
1. Ijarah income (net of depreciation & Provisioning)
2. Diminishing Mush. Income
3. Income from bank deposits

PKR **1,262** Millions

Total Assets (Average)

PKR **8,457** Millions

Cost
1. Financial Charges
2. Management Co. remuneration (with sales tax)
3. Administrative, operating expenses & WWF
4. Taxation

PKR **1100** Millions

Equity (Average)

PKR **1,350** Millions

Asset Turnover
= Revenue / Total Assets
14.92%

Net Profit margin
= (Revenue - Cost) / Revenue
-6.72%

Equity Multiplier
= Total Assets/Equity
6.42 times

Return on Equity (RoE)
11.9%

STATEMENT OF CHARITY ACCOUNT

Names of Non- Profit Organisations	2025 - 2026 --- Rupees ---
The Patients Behbud Society for AKU	1,000,000
Layton Rehmatulla Benevolent Trust	1,000,000
Patient Aid Foundation	1,000,000
Total	**3,000,000**



REVENUE
1,261
Million

-

EXPENDITURES
129
Million

=

VALUE ADDED
1,131
Million



Retained within Business
54 Million
4.77%

Employee as Remuneration
176 Million
15.59%

Government as Taxes
87 Million
7.70%

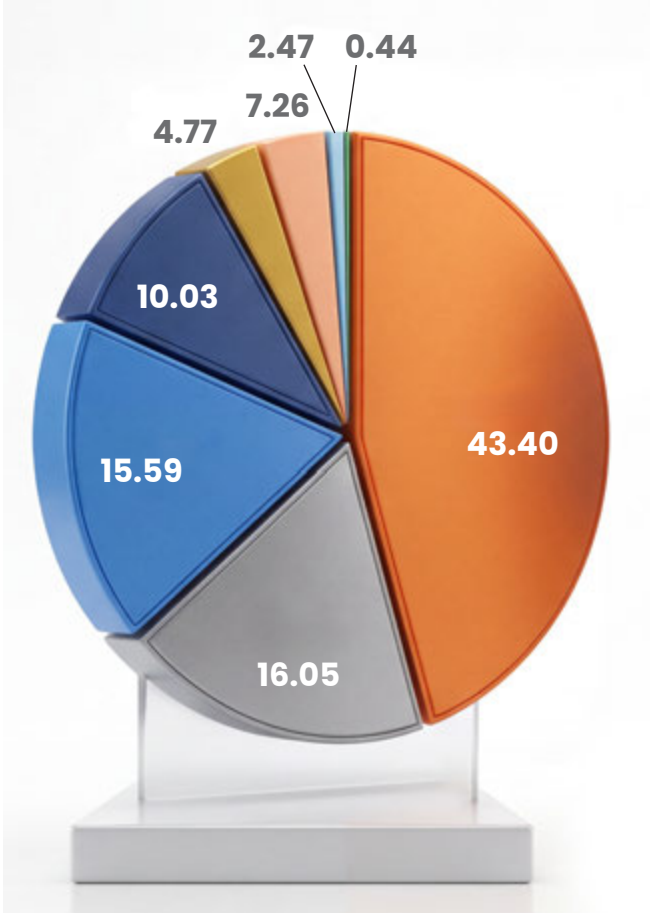
Finance Provider
673 Million
59.45%

Certificate holders as Dividend
113 Million
10.03%

Modarib as Management Fee
28 Million
2.47%

STATEMENT OF VALUE ADDED

	2026 Rupees	%	2025 Rupees	%
Revenue from operations (net of depreciation of Ijarah assets)	1,261,488,836		1,483,452,121	
Other Income/ charges/reversal of povision for WWF	(679,671)		37,382,780	
	1,260,809,165		1,520,834,901	
Operating expenses	97,702,605		81,931,971	
Other charges	27,421,425		39,880,208	
Provision for services sales tax on management company's remuneration	4,200,438		4,365,503	
Value Added	1,131,484,697	100.00	1,394,657,219	100.00
Distributed as follows:				
To Employees				
As remuneration	176,363,451	15.59	182,581,325	13.09
To finance providers				
As profit on redeemable capital	491,019,277	43.40	670,420,208	48.07
As financial charges on Murabaha/Musharika	181,559,574	16.05	245,057,198	17.57
To Modarib				
As management company's remuneration	28,002,920	2.47	29,103,352	2.09
To Certificate-holders				
As profit on certificates	113,458,825	10.03	113,458,825	8.14
To Revenue Authorities				
As workers' welfare fund	4,956,517	0.44	5,151,293	0.37
As Taxation	82,164,295	7.26	78,336,524	5.62
Retained in Business				
As depreciation	6,713,634	0.59	9,930,476	0.71
As capital reserves and retained earning	47,246,204	4.18	60,618,018	4.35
	1,131,484,697	100	1,394,657,219	100

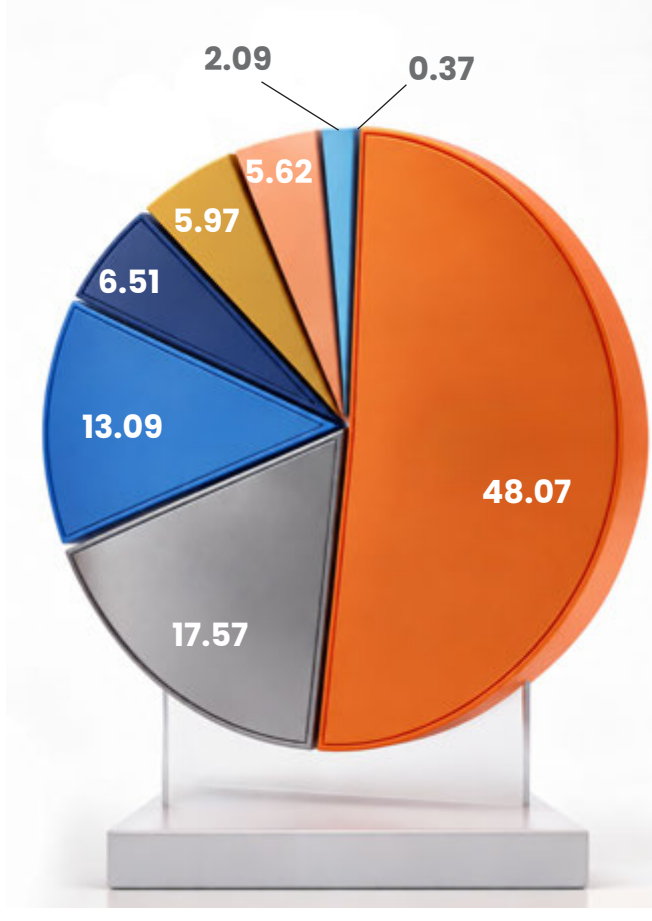


2026

- As profit on redeemable capital
- As financial charges on Murabaha/Musharika
- As remuneration to employees
- As profit on certificates
- As Capital Reserves and retain earning
- Taxation
- As management company's remuneration
- As workers' welfare fund

2025

- As profit on redeemable capital
- As financial charges on Murabaha/Musharika
- As remuneration to employees
- As profit on certificates
- As Capital Reserves and retain earning
- Taxation
- As management company's remuneration
- As workers' welfare fund



FINANCIAL STATEMENT




REVENUE
LIABILITIES
PROFIT
EQUITY
ASSETS
CASH FLOW
AUDIT
FINANCIAL REPORT
COMPLIANCE
BUSINESS STRATEGY

KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh Sultan Trust Building No. 2, Beaumont Road
Karachi 75530 Pakistan
+92 (21) 37131900, Fax +92 (21) 35685095

INDEPENDENT AUDITOR'S REPORT

To the certificate holders of OLP Modaraba

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of OLP Modaraba (the Modaraba), which comprise the statement of financial position as at 30 June 2026, and the statement of profit and loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to and forming part of the financial statements, including a summary of material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit and loss and other comprehensive income, the statement of changes in equity, and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act 2017, Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 (XXXI of 1980), in the manner so required and respectively give a true and fair view of the state of Modaraba's affairs as at 30 June 2026 and of the profit and loss and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Modaraba and the OLP Services Pakistan (Private) Limited (Modaraba Management Company) in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

S.No	Key Audit Matter	How the matter was addressed in our audit
1	**Allowance for Expected Credit Loss (ECL) against ijarah and diminishing musharika** (Refer notes 4.2.4, 5.4, and 10.1 to the financial statements)	
	As at 30 June 2026, the Modaraba maintained an allowance for ECL of Rs. 60.88 million and Rs. 141.19 million for ijarah and diminishing musharika respectively, and has recognized a net (reversal)/charge of Rs. (2.61 million) and Rs. 40.44 million in respect of ijarah and diminishing musharika respectively in the statement of profit and loss and other comprehensive income during the year ended 30 June 2026. The Modaraba recognizes allowance for ECL against ijarah and diminishing musharika under the requirement of IFRS 9 and applies the general approach as to measure ECL for ijarah and diminishing musharika. Under this approach a lifetime ECL is recorded on ijarah and diminishing musharika in which there has been Significant Increase in Credit Risk (SICR) from the date of initial recognition, and which are credit impaired as on the reporting date. Alternatively, a twelve months ECL is recorded for ijarah and diminishing musharika balances which do not have a significant increase in credit risk or are credit impaired as at the reporting date. To assess whether there is a significant increase in credit risk the Modaraba compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. The Modaraba also considers reasonable and supportive forward-looking information in determination of allowance for ECL. The allowance is increased by ECL charged to the statement of profit and loss and other comprehensive income and is decreased by reversals, recoveries net, or write-off. The key areas which are subject to management judgement in the estimation of allowance for ECL are:	Our audit procedures in this area included, among others: ■ Obtaining an understanding of the relevant controls established by the Modaraba over the ECL process to identify loss events and for determining the extent of allowance for ECL required against ijarah and diminishing musharika balances. ■ We performed the following procedures: ◆ assessing the appropriateness of the ECL methodologies for compliance with accounting and reporting standards as applicable in Pakistan; ◆ assessing the reasonableness of macro-economic variable and economic forecasts by comparing these to external sourced data extracted; and ◆ performing independent testing of the allowance for ECL on a sample basis. ■ Assessing the relevance and completeness of the key inputs into the allowance for ECL calculations. ■ Checking mathematical accuracy of the model. ■ Assessing the appropriateness of SICR criteria applied by the Modaraba by evaluating the consistency of SICR criteria and staging methodology with accounting and reporting standards as applicable in Pakistan. ■ Evaluating the adequacy of financial statement disclosures, around allowance for ECL as required by the accounting and reporting standards as applicable in Pakistan.

S.No	Key Audit Matter	How the matter was addressed in our audit
	■ determination of staging of loans including determining whether the credit risk has increased significantly and credit impairment events have occurred; and ■ the determination of key parameters used in the ECL model including probability of default (PD), loss given default (LGD), and forward-looking information. Due to the significance of allowance for ECL and the related significant judgements and estimation exercised by management in estimating allowance for ECL, we considered the area of allowance for ECL as a key audit matter.	

Information Other than the Financial Statements and Auditor's Report thereon

Management of the Modaraba is responsible for the other information. The other information comprises the Chairman's review report and Directors' report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management of the Modaraba and Board of Directors for the Financial Statements

Management of the Modaraba is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017, and Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 (XXXI of 1980) and for such internal control as management of the Modaraba determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management of the Modaraba is responsible for assessing the Modaraba's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management of the Modaraba either intends to liquidate the Modaraba or to cease operations, or has no realistic alternative but to do so.

Board of directors of the Modaraba Management Company are responsible for overseeing the Modaraba's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Modaraba's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management of the Modaraba.

- Conclude on the appropriateness of management of the Modaraba's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Modaraba's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Modaraba to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of directors of the Modaraba Management Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of directors of the Modaraba Management Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of directors of the Modaraba Management Company, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

a) proper books of account have been kept by the Modaraba as required by the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 (XXXI of 1980);

KPMG Taseer Hadi & Co.

b) the statement of financial position, the statement of profit and loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 (XXXI of 1980) and are in agreement with the books of account and returns;

c) investments made, expenditure incurred and guarantees extended during the year by the Modaraba were for the purpose of the Modaraba's business; and

d) zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Modaraba and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

The engagement partner on the audit resulting in this independent auditor's report is Muhammad Taufiq.

Date: 24 September 2026

KPMG Taseer Hadi & Co.
Chartered Accountants

Karachi

UDIN: AR202610106Apc7QPJkI

STATEMENT OF FINANCIAL POSITION

As at June 30, 2026

	Note	June 30, 2026	June 30, 2025
		---------- (Rupees) ----------	
ASSETS			
Non-current assets			
Long-term portion of diminishing musharika	5.5	4,688,392,803	4,736,612,650
Ijarah assets	6	324,023,149	736,741,555
Property and equipment	7	56,469,840	72,962,862
Intangible assets	8	283,261	1,825,173
Deferred tax assets - net	9	67,061,837	57,377,814
Total non-current assets		5,136,230,890	5,605,520,054
Current assets			
Current portion of diminishing musharika	5.5	2,444,068,077	2,132,883,863
Ijarah rentals receivable	10	7,822,791	33,710,624
Advances, deposits, prepayments and other receivables	11	189,230,952	337,296,977
Short term investments	12	41,703	159,735,406
Cash and bank balances	13	679,116,800	604,579,710
Total current assets		3,320,280,323	3,268,206,580
TOTAL ASSETS		8,456,511,213	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		500,000,000	500,000,000
Issued, subscribed, and paid-up certificate capital			
45,383,530 (June 30, 2025: 45,383,530) certificates of Rs. 10 each fully paid	14.1	453,835,300	453,835,300
Capital reserve			
Premium on issue of modaraba certificates		55,384,700	55,384,700
Statutory reserve	14.2	523,503,337	523,503,337
		578,888,037	578,888,037
Revenue reserve			
Unappropriated profit		341,425,351	294,179,147
Total certificate holders' equity		1,374,148,688	1,326,902,484
LIABILITIES			
Non-current liabilities			
Long-term portion of term finance arrangements	15	581,406,238	587,942,472
Long-term portion of security deposits	17	71,570,352	147,484,426
Long-term portion of lease liability	18	34,611,973	52,411,693
Long-term portion of redeemable capital	20	1,639,005,000	102,100,000
Total non-current liabilities		2,326,593,563	889,938,591
Current liabilities			
Current portion of term finance arrangements	15	370,729,030	342,429,822
Running musharika	16	1,102,905	155,936,573
Current portion of security deposits	17	62,710,848	131,090,150
Current portion of lease liability	18	15,508,519	7,852,473
Accrued and other liabilities	19	328,405,875	287,907,297
Current portion of redeemable capital	20	3,800,982,424	5,580,448,521
Unclaimed profit distribution	33.1	84,452,115	79,892,967
Provision for taxation - net		91,877,246	71,327,756
Total current liabilities		4,755,768,962	6,656,885,559
TOTAL LIABILITIES		7,082,362,525	7,546,824,150
TOTAL EQUITY AND LIABILITIES		8,456,511,213	8,873,726,634
CONTINGENCIES AND COMMITMENTS	21		

The annexed notes from 1 to 41 form an integral part of these financial statements.

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

SD	SD	SD	SD
Chief Executive	Director	Director	Chief Financial Officer

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

For The Year Ended June 30, 2026

	Note	June 30, 2026	June 30, 2025
		(Rupees)	
Income from diminishing musharika financing		1,093,861,885	1,171,413,672
Ijarah rentals earned		337,363,707	621,304,803
Dividend income		1,108,422	26,412,073
Profit on bank balances		58,772,685	70,765,232
		1,491,106,699	1,889,895,780
Financial and other charges	22	(700,000,276)	(955,357,614)
Depreciation on ijarah assets	6.1	(229,617,864)	(406,443,657)
		(929,618,140)	(1,361,801,271)
		561,488,559	528,094,509
ECL reversal / (charge) against ijarah rentals receivable - net	10.1	2,613,136	(9,334,940)
ECL charge against diminishing musharika - net	5.4	(40,444,870)	(43,155,700)
ECL charge against other receivables	11.4	-	(323,534)
ECL charge against cash and bank	13	(92,448)	-
		(37,924,182)	(52,814,174)
		523,564,377	475,280,335
Other income	23	37,244,511	90,196,954
Administrative and operating expenses	24	(280,779,690)	(274,443,772)
		280,029,198	291,033,517
Management Company's remuneration	25	(28,002,920)	(29,103,352)
Provision for services sales tax on the Management Company's remuneration	26	(4,200,438)	(4,365,503)
Provision for workers' welfare fund - net	19.2	(4,956,517)	(5,151,293)
Profit before income tax and levy		242,869,323	252,413,369
Levy - final tax	27	(349,153)	(3,961,811)
Profit before income tax		242,520,170	248,451,558
Income Tax	28	(81,815,141)	(74,374,713)
Profit for the year after taxation		160,705,029	174,076,845
Other comprehensive income for the year		-	-
Total comprehensive income for the year		160,705,029	174,076,845
Earnings per certificate - basic and diluted	29	3.54	3.84

The annexed notes from 1 to 41 form an integral part of these financial statements.

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

SD	SD	SD	SD
Chief Executive	Director	Director	Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY

For The Year Ended June 30, 2026

	Issued, subscribed and paid-up certificate capital (note 14.1)	Capital reserves			Revenue reserve	Total reserves	Total
		Premium on issue of modaraba certificates	Statutory reserve (note 14.2)	Sub-total	Unappropriated profit		
	(Rupees)						
Balance as at June 30, 2024	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 year							
- Profit for the year ended June 30, 2025	-	-	-	-	174,076,845	174,076,845	174,076,845
- Other comprehensive income for the year	-	-	-	-	-	-	-
	-	-	-	-	174,076,845	174,076,845	174,076,845
Transactions with certificate holders							
Contributions and distributions							
Profit distribution for the year ended June 30, 2024 @ Rs 2.00 per certificate declared subsequent to the year end	-	-	-	-	(90,767,060)	(90,767,060)	(90,767,060)
Balance as at June 30, 2025	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 year							
- Profit for the year ended June 30, 2026	-	-	-	-	160,705,029	160,705,029	160,705,029
- Other comprehensive income for the year	-	-	-	-	-	-	-
	-	-	-	-	160,705,029	160,705,029	160,705,029
Transactions with certificate holders							
Contributions and distributions							
Profit distribution for the year ended June 30, 2025 @ Rs 2.50 per certificate declared subsequent to the year end	-	-	-	-	(113,458,825)	(113,458,825)	(113,458,825)
Balance as at June 30, 2026	453,835,300	55,384,700	523,503,337	578,888,037	341,425,351	920,313,388	1,374,148,688

The annexed notes from 1 to 41 form an integral part of these financial statements.

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

SD	SD	SD	SD
Chief Executive	Director	Director	Chief Financial Officer

STATEMENT OF CASH FLOWS

For The Year Ended June 30, 2026

	Note	June 30, 2026	June 30, 2025
		---------- (Rupees) ----------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		242,520,170	248,451,558
Adjustments for non-cash and other items			
Depreciation on tangible assets in own use	24	5,171,722	7,759,012
Depreciation on right-of-use assets	24	14,206,802	5,738,754
Amortisation on intangible assets	24	1,541,912	2,171,464
Depreciation on ijarah assets	6.1	229,617,864	406,443,657
Gain on disposal of ijarah assets	23	(11,602,245)	(55,130,794)
Gain on disposal of tangible assets	23	(76,000)	-
ECL (reversal) / charge against ijarah rentals receivable	10.1	(2,613,136)	9,334,940
ECL charge against other receivables	11.4	-	323,534
ECL charge against diminishing musharika	5.4	40,444,870	43,155,700
ECL charge against cash and bank	13.4	92,448	-
Profit on bank balances		(58,772,685)	(70,765,232)
Levy	27	349,153	3,961,811
Financial charges on			
- Profit on redeemable capital	22	491,019,277	670,420,207
- Profit on running musharika	22	13,025,371	13,973,845
- Amortisation of lease liability against right-of-use assets	22	4,820,204	3,207,779
- Profit on term finance arrangements	22	122,509,917	178,198,412
Provision for services sales tax on the Management Company's remuneration		4,200,438	4,365,503
Provision for Workers' Welfare Fund - net		4,956,517	5,151,293
		858,892,429	1,228,309,885
		1,101,412,599	1,476,761,443
(Increase) / decrease in assets			
Advances, deposits, prepayments and other receivables		150,275,567	(1,599,610)
Ijarah rentals receivable		28,500,969	26,775,810
Diminishing musharika		(303,409,237)	(1,568,733,969)
Purchase of assets under Ijarah arrangements	6.1	(18,831,420)	(469,968,805)
Proceeds from disposal of assets under Ijarah arrangements		213,534,207	641,568,761
		70,070,086	(1,371,957,813)
Increase / (decrease) in liabilities			
Accrued and other liabilities		26,507,955	23,986,851
Advance ijarah rentals received		-	(4,645,531)
Security deposits		(144,293,376)	(121,680,750)
		(117,785,421)	(102,339,430)
		1,053,697,264	2,464,200
Taxes and levy paid		(71,298,827)	(96,945,588)
Net cash generated from / (used in) operating activities		982,398,437	(94,481,388)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of tangible assets		(2,885,502)	(6,063,653)
Purchases of intangible assets		-	(227,700)
Proceeds from disposal of property and equipment in own use		76,000	-
Short term investments		159,693,703	191,182,831
Profit on bank deposits received		56,563,143	78,929,530
Net cash generated from investing activities		213,447,344	263,821,008
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from redeemable capital less repayments	33.1	(242,561,097)	1,345,920,000
Payment of lease liability against right-of-use assets		(14,963,878)	(8,594,360)
Term finance less repayments	33.1	21,762,974	(325,117,384)
Profit distributed to certificate holders	33.1	(108,899,677)	(88,294,492)
Profit paid on			
- Redeemable capital		(491,019,277)	(742,343,325)
- Term finance arrangements		(135,535,288)	(225,957,928)
Net cash (used in) financing activities		(971,216,243)	(44,387,489)
Net increase in cash and cash equivalents during the year		224,629,538	124,952,131
Cash and cash equivalents at the beginning of the year		454,579,710	329,627,579
Cash and cash equivalents at the end of the year	33	679,209,248	454,579,710

The annexed notes from 1 to 41 form an integral part of these financial statements.

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

SD	SD	SD	SD
Chief Executive	Director	Director	Chief Financial Officer

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2026

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 related rules and regulations 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.

OLP Financial Services Pakistan Limited exercises full control in OLP Modaraba through the fully owned Management Company and an aggregate holding of 20% stake in the certificates of Modaraba (10% directly and 10% indirectly through Modaraba Management Company).

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 office 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 musharika. The Modaraba may also invest in commercial and industrial ventures suitable for the Modaraba. The Certificates of the Modaraba are listed on the Pakistan Stock Exchange Limited.

The requirement for an external shariah audit becomes effective and applicable for the period ending on or after June 30, 2025, pursuant to S.R.O. 1861(I)/2024 dated November 14, 2024. The Modaraba has engaged BDO Ebrahim & Co. Chartered Accountants, as its external shariah auditor to conduct the shariah audit for the year ended June 30, 2026.

The Modaraba engages solely in shariah-compliant activities and does not conduct any conventional transactions. The details of shariah-compliant activities are mentioned below:

- Term finance arrangements (refer note 15)
- Cash and bank balances (refer note 13)
- Profit on bank balances (refer note 4.13)
- Income from diminishing musharika arrangements & ijarah rentals earned (refer note 4.13)
- Dividend income (refer note 4.13)
- Return on term finance arrangements expensed (refer note 22)
- Relationship with Shariah compliant banks (refer note 13.4)

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 27, 2026 (June 30, 2025: February 28, 2025).

2. BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards as applicable in Pakistan comprise of:

- IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017;

- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP) as are 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; and

- Provisions of, directives and notifications 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, directives and notifications 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 IFRS Accounting Standards, 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, directives and notifications 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 Islamic Financial Accounting Standard (IFAS) 2 'Ijarah' issued by the Institute of Chartered Accountants of Pakistan (ICAP) was adopted by the SECP vide SRO 431(1)/ 2007 dated May 22, 2007. Under IFAS 2, the ijarah transactions are accounted for in the following manner:

- Muj'ir (lessors) presents the assets subject to ijarah in their statement of financial position according to the nature of the asset. The Muj'ir is required to distinguish these Ijarah assets from assets in own use.

- Costs, including depreciation on the assets given on ijarah, incurred in earning the ijarah income are recognised as expenses.

- Ijarah income is recognised in income on an accrual basis as and when the rental becomes due, unless another systematic basis is more representative of the time pattern in which the benefit of the use derived from the leased asset is diminished.

The SECP, vide its letter No. SC/ M/ RW/ SCM /2009 dated March 9, 2009, allowed that in case of Modarabas, IFAS 2 shall be applied for ijarah transactions executed on or after July 1, 2008. Accordingly, the Modaraba has accounted for Ijarah transactions executed before July 01, 2008 as finance leases and has treated the Ijarah transactions executed on or after July 01, 2008 in accordance with the requirements of IFAS 2.

2.3 Basis of measurement

These financial statements have been prepared under the historical cost, convention except for certain investments which are carried at fair value. Right-of-use assets and their related lease liabilities are measured at present value. Security deposits are initially recorded at present value and subsequently measured at amortised cost.

2.4 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Modaraba operates. The financial statements are presented in Pakistani rupees, unless otherwise stated, which is the Modaraba's functional and presentation currency.

2.5 ACCOUNTING ESTIMATES AND JUDGEMENTS

2.5.1 Use of estimates and judgments

The preparation of the financial statements in conformity with the accounting and reporting 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. The areas where various assumptions and estimates are significant to the Modaraba's financial statements or where judgments were exercised in the application of accounting policies are as follows:

i) Estimates of residual values, useful lives, depreciation and amortisation methods of property and equipment, intangible assets and ijarah assets (notes 6, 7, and 8);

ii) Classification and valuation of financial asset (note 4.2);

iii) Provision for Sindh Workers' Welfare Fund (note 19.2);

iv) Provision for services sales tax on the Management Company's remuneration (note 26);

v) Provision for levy and taxation (notes 4.10, 27, and 28);

vi) Impairment of non-financial assets (note 4.4);

vii) Determination of lease term and the discount rate for recognition of lease liabilities and depreciation on related right-of-use assets (note 4.6.2 & 4.9); and"

viii) Valuation of expected credit loss (note 4.2.4)

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 current and future periods.

3. STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED ACCOUNTING AND REPORTING STANDARDS

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

There are certain amendments to approved accounting and reporting standards that are mandatory for the Modaraba's accounting period beginning on July 1, 2025, but are considered not to be relevant or do not have any significant impact on the Modaraba's operations and are, therefore, not detailed in these financial statements.

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

The following accounting and reporting standards as applicable in Pakistan and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 1 July 2026:

- Recognition / derecognition requirements of financial assets / liabilities by electronic payments:

The amendments to IFRS 9 clarify when a financial asset or a financial liability is recognized and derecognized and provide an exception for certain financial liabilities settled using an electronic payment system. Companies generally derecognize their trade payables on the settlement date (i.e., when the payment is completed). However, the amendments provide an exception for the derecognition of financial liabilities. The exception allows the company to derecognize its trade payable before the settlement date, when it uses an electronic payment system that meets all of the following criteria:

- no practical ability to withdraw, stop or cancel the payment instruction;

- no practical ability to access the cash to be used for settlement as a result of the payment instruction; and

- the settlement risk associated with the electronic payment system is insignificant.

The amendments apply for reporting periods beginning on or after 1 January 2026. Earlier application is permitted.

- Other related amendments:

Contractually linked instruments (CLIs) and non-recourse features:

The amendments clarify the key characteristics of CLIs and how they differ from financial assets with non-recourse features.

The amendments also include factors that a company needs to consider when assessing the cash flows underlying a financial asset with non-recourse features (the 'look through' test).

Disclosures on investments in equity instruments:

The amendments require additional disclosures for investments in equity instruments that are measured at fair value with gains or losses presented in other comprehensive income (FVOCI).

The amendments apply for reporting periods beginning on or after 1 January 2026. Earlier application is permitted.

- how a lessee accounts for the derecognition of a lease liability under paragraph 23 of IFRS 9:

When lease liabilities are derecognized under IFRS 9, the difference between the carrying amount and the consideration paid is recognized in profit or loss.

The amendment on derecognition of lease liabilities applies only to lease liabilities extinguished on or after the beginning of the annual reporting period in which the amendment is first applied.

- Adoption of IFRS 18 and IFRS 19:

The Securities and Exchange Commission of Pakistan (SECP), vide S.R.O. 2444(I)/2025 dated December 12, 2025 has notified that "IAS-1, Presentation of Financial Statements", as referred to in the earlier notification S.R.O. No. 633(I)/2014, shall be replaced with "IFRS-18, Presentation and Disclosure in Financial Statements" and "IFRS-19, Subsidiaries without Public Accountability: Disclosures", and shall be followed for the preparation of financial statements for annual reporting periods beginning on or after January 01, 2027:

Provided that only unlisted subsidiaries without public accountability (i.e. unlisted companies other than those mentioned in clauses 1(b)(ii), 1(b)(iia) and 1(b)(iii) of the Third Schedule to the Act) may follow "IFRS-19, "Subsidiaries without Public Accountability: Disclosures" in preparation of their financial statements.

The amendments highlighted above may impact the financial statements of the Modaraba on application. The management is currently in the process of assessing the impact of these amendments on the financial statements of the Modaraba.

4. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting polices applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented.

4.1 Cash and cash equivalents

Cash and cash equivalents comprise of cash in hand, deposits held with banks, and running musharika. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value and include investments in securities with original maturity of less than 3 months, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

4.2 Financial instruments

4.2.1 Recognition and initial measurement

Financial assets and financial liabilities are initially recognized when the Modaraba becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

4.2.2 Classification

Financial assets - classification

The Modaraba classifies its financial assets in the following measurement categories:

- at amortised cost;
- at fair value through other comprehensive income (FVOCI); and
- at fair value through profit or loss (FVTPL).

The classification requirements for debt instruments are described below:

Based on the business model assessment of the entity and the cash flow characteristics of the asset,

a) At amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and profit on the principal amount outstanding.

b) Fair value through other comprehensive income (FVOCI)

A financial asset is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and profit on the principal amount outstanding.

c) Fair value through profit or loss (FVTPL)

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Modaraba may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI, as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets - Business Model Assessment

A financial asset is classified as either Held to collect, Held to collect and sell and others based on business model assessment. The Modaraba makes an assessment of the objective of a business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The assessment requires judgement based on facts and circumstances on the date of assessment. The assessment considers the policies and objectives for the portfolio of financial assets, risk affecting, performance evaluation, business manager's compensation and historical sales information.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets."

Financial assets - assessment whether contractual cash flows are solely payments of principal and interest (SPPI) on principal

In assessing whether the contractual cash flows are solely payments of principal and interest on principal, the Modaraba considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Modaraba considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Modaraba's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest on principal criterion if the prepayment amount substantially represents unpaid amounts of principal and profit on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual return on principal (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Other financial liabilities, which are not classified as FVTPL, are classified as amortised cost.

4.2.3 Subsequent measurement and gains and losses

Financial assets

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any return on principal or dividend income, are recognized in profit and loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective profit rate method. The amortised cost is reduced by impairment losses. return on principal, foreign exchange gains and losses and impairment are recognized in profit and loss. Any gain or loss on derecognition is recognized in profit and loss.
Financial assets at FVOCI	These assets are subsequently measured at fair value. Return on principal calculated using the effective profit rate method, foreign exchange gains and losses and impairment are recognized in profit and loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit and loss.

Financial liabilities

Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any return on dues expensed, are recognized in Statement of Profit and Loss & OCI. Other financial liabilities are subsequently measured at amortised cost using the effective profit rate method. Return on dues expensed and foreign exchange gains and losses are recognized in Statement of Profit and Loss & OCI. Any gain or loss on derecognition is also recognized in Statement of Profit and Loss & OCI.

4.2.4 Impairment

The Modaraba assesses the Expected Credit Losses (ECL) associated with its debt instruments, carried at amortised cost and FVOCI, on a forward-looking basis, and no impairment loss is recognised on equity investments. The Modaraba recognises a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

A default on a financial asset is when the counterparty fails to make contractual payments within 90 days of when they fall due.

The Modaraba applies the IFRS 9 general approach to measure Expected Credit Losses (ECL) for ijarah finance and diminishing musharika. A lifetime ECL is recorded on Ijarah finance and diminishing musharika in which there has been Significant Increase in Credit Risk (SICR) from the date of initial recognition and which are credit impaired as on the reporting date. A 12 months ECL is recorded for ijarah finance and diminishing musharika which do not meet the criteria for SICR or

"credit impaired" as at the reporting date. To assess whether there is a significant increase in credit risk the Modaraba compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. The Modaraba also considers reasonable and supportive forward looking information in determination of ECL. The allowance is increased by provisions charged to statement of profit and loss and is decreased by charge-offs, net of recoveries.

In evaluating the adequacy of ECL, the management considers various factors, including the nature and characteristics of the obligor, current economic conditions, credit concentrations, historical loss experience and delinquencies. The Modaraba does not take any benefit of collateral or credit enhancements in ECL model.

The impairment requirements apply to financial assets measured at amortized cost. At initial recognition, an impairment allowance is required for expected credit losses ('ECL') resulting from default events that are possible within the next 12 months ('12-month ECL'). In the event of a significant increase in credit risk (SICR), a provision is required for ECL resulting from all possible default events over the expected life of the financial instrument ('lifetime ECL').

Financial instruments for which 12-month ECL are recognised are referred to as 'Stage 1 financial instruments'. Financial instruments allocated to Stage 1 have not undergone a significant increase in credit risk since initial recognition and are not credit-impaired. Financial instruments for which lifetime ECL are recognised but that are not credit-impaired are referred to as 'Stage 2 financial instruments'. Financial instruments allocated to Stage 2 are those that have experienced a significant increase in credit risk since initial recognition but are not credit-impaired. Financial instruments for which lifetime ECL are recognised and that are credit-impaired are referred to as 'Stage 3 financial instruments'.

Measurement of ECL

ECL are a probability-weighted estimate of credit losses. They are measured as follows:

- financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Modaraba expects to receive); and

- financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows.

Restructured financial assets

If the terms of a financial asset are renegotiated or modified or an existing financial asset is replaced with a new one due to financial difficulties of the borrower, then an assessment is made of whether the financial asset should be derecognised and ECL are measured as follows:

- If the expected restructuring will not result in derecognition of the existing asset, then the expected cash flows arising from the modified financial asset are included in calculating the cash shortfalls from the existing asset; and

- If the expected restructuring will result in derecognition of the existing asset, then the expected fair value of the new asset is treated as the final cash flow from the existing financial asset at the time of its derecognition. This amount is included in calculating the cash shortfalls from the existing financial asset that are discounted from the expected date of derecognition to the reporting date using the original effective profit rate of the existing financial asset.

Non-performing financial assets

At each reporting date, the Modaraba assesses whether financial assets carried at amortised cost, are credit-impaired (referred to as 'Stage 3 financial assets'). A financial asset is 'non-performing' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the restructuring of a facility by the Modaraba on terms that the Modaraba would not consider otherwise;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or

A loan that has been renegotiated due to a deterioration in the borrower's condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment.

Based on the requirements of IFRS 9, the Modaraba has performed an ECL assessment considering the following key elements:

- PD: The probability that a counterparty will default over the next 12 months from the reporting date (12- month ECL, Stage1) or over the lifetime of the product (lifetime ECL, Stage 2). PD is estimated using the overdue days. The Modaraba has used Transition Matrix approach for estimation of PD based on overdue days. PD are then adjusted with forward looking information for calculation of ECL.
- EAD: The expected balance sheet exposure at the time of default, incorporating expectations on drawdowns, amortisation, pre-payments and forward-looking information where relevant. The Modaraba estimates EAD for financial assets carried at an amortised cost and carried at cost equal to principal plus markup. Each repayment date is assumed to be default point in the model and the ECL is calculated on EAD at each reporting date and discounted at the effective profit rate or contractual profit rate for Diminishing musharika and Ijarah.
- LGD: An estimate of the loss incurred on a facility upon default by a borrower. LGD is calculated as the difference between contractual cash flows due and those that the Modaraba expects to receive. It is expressed as a percentage of the exposure outstanding on the date of classification of an obligor.

Presentation of allowance for Expected Credit Loss in the Statement of Financial Position

Loss allowances for ECL are presented in the statement of financial position as financial assets measured at amortized cost as a deduction from the gross carrying amount of the assets.

Write-off

Loans and debt securities are written off (either partially or in full) when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Modaraba determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. This assessment is carried out at the individual asset level.

Recoveries of amounts previously written off are recognised when cash is received and are included in 'Allowance of ECL on financial instruments' in the statement of profit and loss and other comprehensive income. A financial assets that are written off could still be subject to enforcement activities in order to comply with the Modaraba's procedures for recovery of amounts due.

4.2.5 Derecognition

Financial assets

The Modaraba derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Modaraba neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Modaraba enters into transactions whereby it transfers assets recognized in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

Financial liabilities

The Modaraba derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Modaraba also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit and loss.

4.2.6 Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Modaraba currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

4.2.7 Regular way contracts

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date on which the Modaraba commits to purchase or sell the asset.

4.2.8 Diminishing musharika

In Diminishing musharika financing, the Modaraba enters into musharika based on Shirkat-ul-milk for financing an agreed share of fixed asset (e.g. house, land, plant or machinery) with its customers and enters into periodic rental payment agreement for the utilisation of the Modaraba's musharika share by the customer. The customer purchases the Modaraba's share gradually as per his undertaking

Profit

i. Effective profit rate

Profit income is recognised in statement of profit or loss under the effective profit rate method.

The 'effective profit rate' is the rate that exactly discounts estimated future cash payments and receipts through the expected life of the financial instrument;

- to the gross carrying amount of the financial asset.

- the amortised cost of the financial liability.

When calculating the effective profit rate for financial instruments the Modaraba estimates future cash flows considering all contractual terms of the financial instrument, but not ECL.

The calculation of the effective profit rate includes transaction costs and fees that are an integral part of the effective profit rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset.

ii. Amortised cost and gross carrying amount

The 'amortised cost' of a financial asset is the amount at which the financial asset is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation under the effective profit method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any expected credit loss allowance. The 'gross carrying amount of a financial asset' is the amortised cost of a financial asset before adjusting for any expected credit loss allowance.

iii. Calculation of profit income

The effective profit rate of a financial asset or financial liability is calculated on initial recognition of a financial asset or a financial liability. In calculating profit income and expense, the effective profit rate is applied to the gross carrying amount of the asset (when the asset is not credit impaired) or to the amortised cost of the liability.

However, for financial assets that have become credit-impaired subsequent to initial recognition, profit income is calculated by applying the effective profit rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of profit income reverts to the gross basis.

For financial assets that were credit-impaired on initial recognition, profit income is calculated by applying the credit-adjusted effective profit rate to the amortised cost of the asset. The calculation of profit income does not revert to a gross basis, even if the credit risk of the asset improves.

4.3 Redeemable capital

The Modaraba offers only one deposit product, "Certificates of Musharika (COM)" under a scheme duly approved by the SECP vide its letter no. 7(04) Reg-Mod/95-449 dated April 4, 1995. The scheme of COM has been formulated under the parameters laid down for this purpose by the SECP in its "Guidelines for Issue of Certificates of Musharika for Modarabas" (the Guidelines) issued on September 7, 1994.

As per requirements of the Guidelines, the scheme of COM is based on the concept of "Musharika", hence it is classified as redeemable capital. The salient features of the COM are as follows:

- This is a return based certificate wherein a deposit is placed with the Modaraba for a definite period of time.

- Total profits after charging all expenses, provisions / impairments and the Management Company's remuneration of the Modaraba are shared by the COM holders and the Modaraba in accordance with the ratio declared by the Modaraba and accepted by the COM holders. In the absence of such declaration, the total profits shall be shared between the COM holders and the Modaraba in proportion to their contribution in the Modaraba.

- The amount of profit allocated to the COM holders shall be shared between different category / tiers of the COM holders on the basis of predetermined weightages announced by the Modaraba at the beginning of each quarter.

- In the event of loss, such loss shall be shared between the COM holders and the Modaraba in proportion to their fund.

4.4 Impairment of non-financial assets

The carrying amounts of assets are reviewed at each reporting date to determine whether there is any indication of impairment of any asset or a group of assets. If any such indication exists, the recoverable amount of that asset is estimated.

For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows i.e., cash-generating units (CGU).

The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. An impairment loss is recognized as an expense in the statement of profit and loss for the amount by which the asset's carrying amount exceeds its recoverable amount. Value in use is ascertained through discounting of the estimated future cash flows using a pre-tax discount rate that reflects current market assessment of the time value of money and the risk specific to the assets. The fair value less costs to sell calculation is based on the available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs to sell off the asset.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised.

4.5 Ijarah assets

Assets leased out under ijarah arrangements, if any, are recorded as ijarah assets and are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Modaraba and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss as and when incurred. The residual values, useful lives and depreciation method are reviewed and adjusted, if appropriate, at each reporting date (refer note 2.2).

Depreciation is charged to the statement of profit and loss applying the straight line method whereby the cost of an asset less residual value is depreciated over the estimated useful life of the asset. Depreciation is charged on pro-rate basis from the date the asset is available for use till date of maturity / termination. In respect of additions and disposals during the year, depreciation is charged proportionately from the date of delivery of assets to the date of its maturity / termination.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the statement of profit and loss, in the year in which these arise.

4.6 Property and equipment

4.6.1 Tangible assets in own use

Recognition and measurement

These are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items. If significant parts of an item of tangible assets in own use have different useful lives, then they are accounted for as separate items (major components) of property and equipment.

Subsequent expenditure

Subsequent costs are included in the assets' carrying amounts or recognised as separate assets, as appropriate, only when it is probable that future economic benefits associated with the items will flow to the Modaraba and the cost of the items can be measured reliably. All other repairs and maintenance expenses are charged to the statement of profit and loss as and when incurred.

Depreciation

Depreciation is charged to the statement of profit and loss on a straight line basis in accordance with the rates specified in note 7 to these financial statements and after taking into account residual values. The residual values, useful lives and depreciation methods are reviewed and adjusted, if appropriate, at each reporting date. Depreciation is charged on additions from the date the asset is available for use and on disposals upto the date of disposal.

Gains and losses on disposals are determined by comparing the sale proceeds with the carrying amounts. These are recorded in the statement of profit and loss in the period in which these arise.

4.6.2 Right-of-use assets

The Modaraba recognizes right-of-use asset (ROU asset) at the commencement date of the lease. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Modaraba by the end of the lease term or the cost of the right-of-use asset reflects that the Modaraba will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of tangible assets in own use. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

4.7 Intangible assets

Recognition and measurement

Intangible assets having finite useful life are stated at cost less accumulated amortisation and any impairment in value, if any and amortised on a straight line basis over their useful life as per the rate disclosed in note 8 to these financial statements.

Subsequent expenditure

Subsequent costs are included in the assets' carrying amounts or recognised as separate assets, as appropriate, only when it is probable that the future economic benefits associated with the assets will flow to the Modaraba and the cost of the items can be measured reliably.

Amortisation

Amortisation is charged to the statement of profit and loss using the straight line method in accordance with the rates specified in note 8 to these financial statements. The useful lives and amortisation method are reviewed and adjusted, as appropriate, at each reporting date. Amortisation is charged from the date the asset is available for use while in the case of assets disposed of, it is charged upto the date of disposal.

Gains or losses on disposal of intangible assets, if any, are taken to the statement of profit and loss in the period in which these arise.

4.8 Capital work-in-progress

Capital work-in-progress is stated at cost less accumulated impairment losses, if any, and represents expenditure on fixed assets in the course of construction and installation and advances for capital expenditure. Transfers are made to the relevant category of tangible / intangible assets as and when the assets are available for intended use.

4.9 Lease liabilities

At inception of a contract, the Modaraba assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Modaraba uses the definition of a lease in IFRS 16.

The Modaraba applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Modaraba recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets. At commencement or on modification of a contract that contains a lease component, the Modaraba allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices.

Lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the profit rate implicit in the lease, or if that rate cannot be readily determined, the Modaraba's incremental borrowing rate as the discount rate.

The Modaraba determines its incremental borrowing rate by evaluating profit rates from external financing sources and makes certain adjustments, if needed to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- "fixed payments, including in-substance fixed payments;"
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Modaraba is reasonably certain to exercise, lease payments in an optional renewal period if the Modaraba is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Modaraba is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective profit rate method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Modaraba's estimate of the amount expected to be payable under a residual value guarantee, if the Modaraba changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Modaraba applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

4.10 Taxation

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of prior years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax

Deferred tax is recognised using the balance sheet liability method on all temporary differences between the carrying amounts of assets and liabilities used for financial reporting purposes and amounts used for taxation purposes. In addition, the Company also records deferred tax asset on available tax losses, if any. Deferred tax is calculated using the rates that are expected to apply to the year when the differences reverse based on tax rates that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax asset is reduced to the extent that it is no longer probable that the related tax benefits will be realised.

The Company also recognises deferred tax asset / liability on deficit / surplus on revaluation of securities / fixed assets / foreign currency translation reserves which is adjusted against the related deficit / surplus in accordance with the requirements of International Accounting Standard (IAS) 12 Income Taxes.

Levy

In accordance with Income Tax Ordinance, 2001 (Ordinance), computation of final taxes is not based on taxable income. Therefore, as per IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes issued by the Institute of Chartered Accountants of Pakistan (ICAP), these fall within the scope of IFRIC 21 / IAS 37 and accordingly have been classified as levy in these financial statements.

4.11 Provisions and contingent liabilities

Provisions are recognised when the Modaraba has a present, legal, or constructive obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of obligation can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are not recognised and are disclosed unless the probability of an outflow of resources embodying economic benefits is remote.

4.12 Staff retirement benefits

The Modaraba operates:

i) a recognised provident fund for all eligible employees; and

ii) an approved defined contribution scheme for all permanent employees.

Defined contribution scheme is payable to employees on completion of the prescribed qualifying period of service under the scheme. Contributions to the provident fund and defined contribution scheme fund are made at the rate of 10% and 8.33% respectively, of the basic salaries of employees. Obligation for contribution to defined contribution plans are recognised as an expense in the profit and loss account when these are due.

Investments out of the aforementioned funds have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the conditions specified thereunder.

4.13 Revenue and other income recognition

- Ijarah rentals are recognised as income on accrual basis, as and when rentals become due. In case of ijarah arrangements with staggered rentals, the income is recognised on a straight line basis over the ijarah term.
- Income from diminishing musharika is recognised on time proportionate basis over the term of contract.
- Unearned income in respect of non-remunerative security deposits is recognised on a straight line basis over the lease term. This represents the difference between fair value and transaction price on initial recognition.
- Gains / losses on termination of ijarah contracts are recognised as income / expense as the difference between the proceeds realised from the customers on sale of ijarah assets and the net book value at which such assets are carried at the time of termination.
- Front end fees are taken to the statement of profit and loss on effective profit rate method.
- Dividend income is recognised when the Modaraba's right to receive dividend is established.
- Profit / return on deposits / investments is recognised on effective profit rate.
- Income from Shariah non-compliant avenues is not recognised in the statement of profit and loss and is classified as charity payable.
- Gains / losses on disposal of tangible assets are recognised as income / expense as the difference between the proceeds realised from the customers on sale of tangible assets and the net book value at which such assets are carried at the time of disposal.

4.14 Proposed profit distribution to Modaraba certificate holders and transfers between reserves

Proposed profit distribution and transfers between reserves made subsequent to the reporting date are considered as non-adjusting events and are recognised in the financial statements in the period in which such profit distribution is declared / transfer is made.

4.15 Earnings per certificate

Basic earnings per certificate is calculated by dividing the profit after taxation for the year by the weighted average number of certificates outstanding during the year. Diluted earnings per certificate is determined by adjusting the profit and loss attributable to ordinary certificate holders by taking into account the effects of all dilutive potential ordinary certificates outstanding during the period.

Ordinary certificates are classified as equity and are recorded at their face value. Incremental costs directly attributable to the issue of new certificates or options are shown in equity as a deduction, net of tax, from the proceeds.

	Note	June 30, 2026	June 30, 2025
5. DIMINISHING MUSHARIKA		---------- (Rupees) ----------	
Staff - considered good	5.1		
- Housing finance		14,746,509	18,181,799
- Motor vehicles		20,485,616	10,710,900
- Others		615,845	1,154,063
	5.3	35,847,970	30,046,762
Others - considered good			
- Housing finance		306,901,595	308,362,179
- Motor vehicles		3,619,503,849	3,241,336,652
- Plant, machinery and equipment		3,082,875,377	3,154,647,116
		7,009,280,821	6,704,345,947
Others - considered bad or doubtful			
- Housing finance		3,693,976	4,373,768
- Motor vehicles		16,774,517	16,880,285
- Plant, machinery and equipment		152,952,738	155,253,307
		173,421,231	176,507,360
Accrued profit on diminishing musharika		55,098,071	59,338,787
Less: Allowance for ECL against diminishing musharika	5.4	(141,187,213)	(100,742,343)
Others - net of ECL Allowance		7,096,612,910	6,839,449,751
		7,132,460,880	6,869,496,513

5.1 Staff balances above represent finance provided to employees, officers and key management personnel of the Modaraba under diminishing musharika 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 10.88% (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. 0.631 million (June 30, 2025: Rs. 2.22 million), Rs. 6.998 million (June 30, 2025: Rs 3.40 million) and Nil (June 30, 2025: Rs. 0.30 million) respectively. These are secured against diminishing musharika assets.

5.2 Diminishing musharika carries profit at the rate ranging between 12.85% to 28.64% (June 30, 2025: 12.81% to 26.19%) per annum.

	Note	June 30, 2026	June 30, 2025
		(Rupees)	
5.3 Reconciliation of carrying amounts of finance provided to employees and officers under diminishing musharika arrangement			
Opening balance		30,046,762	55,087,309
Disbursements during the year		24,330,720	4,245,000
Net movement from prepaid		6,801,287	32,591,616
Unwinding of staff loan		6,187,070	7,351,607
Transfer of resigned staff		(22,652,517)	(58,171,881)
Repayments during the year		(8,865,352)	(11,056,889)
Closing balance		35,847,970	30,046,762
5.4 Movement in ECL allowance against diminishing musharika			
Opening balance		100,742,343	57,586,643
Charge during the year		40,444,870	43,155,700
		141,187,213	100,742,343
5.5 Break-up of diminishing musharika between long-term and current portion is as follows:			
Current portion of diminishing musharika		2,494,683,141	2,182,871,635
Less: ECL allowance	5.8	(50,615,064)	(49,987,772)
		2,444,068,077	2,132,883,863
Long-term portion of diminishing musharika		4,778,964,952	4,787,367,221
Less: ECL allowance	5.8	(90,572,149)	(50,754,571)
		4,688,392,803	4,736,612,650

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

	June 30, 2026		June 30, 2025	
	(Rupees)		(Rupees)	
	Exposure at Default	**ECL allowance**	Exposure at Default	ECL allowance
Stage 1	6,932,754,399	2,886,668	6,403,384,253	4,476,308
Stage 2	219,746,605	1,072,363	460,427,436	6,117,442
Stage 3	209,707,719	137,228,182	204,266,615	90,148,593
	7,362,208,723	141,187,213	7,068,078,304	100,742,343

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

	June 30, 2026			
	(Rupees)			
	Stage 1	Stage 2	Stage 3	Total
Opening balance	4,476,308	6,117,442	90,148,593	100,742,343
(Reversal) / charge for the year	(1,589,640)	(5,045,079)	47,079,589	40,444,870
Closing balance	2,886,668	1,072,363	137,228,182	141,187,213

	June 30, 2025			
	(Rupees)			
	Stage 1	Stage 2	Stage 3	Total
Opening balance	3,283,926	5,929,517	48,373,200	57,586,643
Charge for the year	1,192,382	187,925	41,775,393	43,155,700
Closing balance	4,476,308	6,117,442	90,148,593	100,742,343

5.8 Particulars of credit loss allowance - diminishing musharika financing

	June 30, 2026			
	(Rupees)			
	Stage 1	Stage 2	Stage 3	Total
Opening balance	4,476,308	6,117,442	90,148,593	100,742,343
(Reversal) / charge during the year	(5,344,487)	(1,290,232)	47,079,589	40,444,870
Transfer to Stage 1	4,378,599	(4,378,599)	-	-
Transfer to Stage 2	(623,752)	623,752	-	-
Transfer to Stage 3	-	-	-	-
Closing balance	2,886,668	1,072,363	137,228,182	141,187,213

	June 30, 2025			
	(Rupees)			
	Stage 1	Stage 2	Stage 3	Total
Opening balance	3,283,926	5,929,517	48,373,200	57,586,643
Charge during the year	1,162,038	1,469,204	40,524,458	43,155,700
Transfer to Stage 1	120,920	(120,920)	-	-
Transfer to Stage 2	(90,576)	90,576	-	-
Transfer to Stage 3	-	(1,250,935)	1,250,935	-
Closing balance	4,476,308	6,117,442	90,148,593	100,742,343

	Note	June 30, 2026	June 30, 2025
		(Rupees)	
6 IJARAH ASSETS			
Ijarah contracts - accounted for under IFAS 2	6.1	324,023,149	736,741,555

6.1 Assets under ijarah arrangements

The following is a statement of ijarah assets:

	Note	June 30, 2026 Ijarah assets		
		Plant, machinery and equipment	Motor vehicles	Total
		(Rupees)		
At July 1, 2025				
Cost		1,627,112,734	84,254,450	1,711,367,184
Accumulated depreciation		(923,950,507)	(36,391,167)	(960,341,674)
Impairment against ijarah assets		(13,361,240)	(922,715)	(14,283,955)
Net book value		689,800,987	46,940,568	736,741,555
Additions		18,831,420	-	18,831,420
Disposals				
Cost		(932,148,074)	(43,628,000)	(975,776,074)
Depreciation		736,808,652	37,035,460	773,844,112
		(195,339,422)	(6,592,540)	(201,931,962)
Depreciation charge for the year		(226,481,797)	(3,136,067)	(229,617,864)
Impairment during the year		-	-	-
Closing net book value		286,811,188	37,211,961	324,023,149
At June 30, 2026				
Cost		713,796,080	40,626,450	754,422,530
Accumulated depreciation		(413,623,652)	(2,491,774)	(416,115,426)
Impairment against ijarah assets	10.2	(13,361,240)	(922,715)	(14,283,955)
Net book value		286,811,188	37,211,961	324,023,149
Depreciation rate (% per annum)		16.67% to 30%	16.67% to 30%	

		June 30, 2025 Ijarah assets		
		Plant, machinery and equipment	Motor vehicles	Total
		(Rupees)		
At July 1, 2024				
Cost		2,400,056,439	172,035,450	2,572,091,889
Accumulated depreciation		(1,203,738,031)	(94,415,529)	(1,298,153,560)
Impairment against ijarah assets		(13,361,240)	(922,715)	(14,283,955)
Net book value		1,182,957,168	76,697,206	1,259,654,374
Additions		387,968,805	82,000,000	469,968,805
Disposals				
Cost		(1,160,912,510)	(169,781,000)	(1,330,693,510)
Depreciation		660,113,875	84,141,668	744,255,543
		(500,798,635)	(85,639,332)	(586,437,967)
Depreciation charge for the year		(380,326,351)	(26,117,306)	(406,443,657)
Impairment during the year		-	-	-
Closing net book value		689,800,987	46,940,568	736,741,555
At June 30, 2025				
Cost		1,627,112,734	84,254,450	1,711,367,184
Accumulated depreciation		(923,950,507)	(36,391,167)	(960,341,674)
Impairment against ijarah assets	10.2	(13,361,240)	(922,715)	(14,283,955)
Net book value		689,800,987	46,940,568	736,741,555
Depreciation rate (% per annum)		16.67% to 30%	16.67% to 30%	

6.2 The Modaraba has entered into an ijarah agreement for a period of 3 years (June 30, 2025: 1 to 5 years). Security deposits ranging between 0% to 20% (June 30, 2025: 0% to 43%) are obtained at the time of disbursement. The rate of profit implicit in ijarah finance ranges between 10.70% to 27.58% (June 30, 2025: 13.31% to 26.07%) per annum.

6.3 Contractual rentals receivable

	June 30, 2026				June 30, 2025			
	Not later than one year	Later than one year and less than five years	Later than five years	Total	Not later than one year	Later than one year and less than five years	Later than five years	Total
	(Rupees)							
Rentals receivable	74,257,527	277,825,232	-	352,082,759	154,217,577	629,325,966	-	783,543,543
Residual value	62,934,366	71,346,834	-	134,281,200	130,909,764	147,450,032	-	278,359,796
Total future ijarah payments receivable	137,191,893	349,172,066	-	486,363,959	285,127,341	776,775,998	-	1,061,903,339

7 PROPERTY AND EQUIPMENT

	Note	June 30, 2026	June 30, 2025
		(Rupees)	
Tangible assets in own use	7.1 & 7.2	10,764,649	13,050,869
Right-of-use assets	7.1	45,705,191	59,911,993
		56,469,840	72,962,862

7.1 The following is a statement of property and equipment:

	June 30, 2026					
	Tangible assets in own use					Right-of-use assets - office buildings (note 18.1)
	Leasehold improvements	Furniture and fittings	Office equipment, appliances and computer systems	Motor vehicles	Total	
	(Rupees)					
At July 1, 2025						
Cost	12,859,117	8,767,406	48,885,895	6,520,400	77,032,818	65,650,747
Accumulated depreciation	(12,565,380)	(7,982,650)	(40,735,525)	(2,698,394)	(63,981,949)	(5,738,754)
Net book value	293,737	784,756	8,150,370	3,822,006	13,050,869	59,911,993
Additions	-	149,721	2,735,781	-	2,885,502	-
Disposals						
Cost	-	(70,238)	(160,704)	-	(230,942)	-
Depreciation	-	70,238	160,704	-	230,942	-
	-	-	-	-	-	-
Depreciation charge for the year	(220,296)	(240,924)	(4,276,859)	(433,643)	(5,171,722)	(14,206,802)
Closing net book value	73,441	693,553	6,609,292	3,388,363	10,764,649	45,705,191
At June 30, 2026						
Cost	12,859,117	8,846,889	51,460,972	6,520,400	79,687,378	65,650,747
Accumulated depreciation	(12,785,676)	(8,153,336)	(44,851,680)	(3,132,037)	(68,922,729)	(19,945,556)
Net book value	73,441	693,553	6,609,292	3,388,363	10,764,649	45,705,191
Depreciation rate (% per annum)	**33.33%**	**15.00%**	**20% - 33.33%**	**20% - 25%**		**over the lease term**

	June 30, 2025					
	Tangible assets in own use					Right-of-use assets - office buildings (note 18.1)
	Leasehold improve-ments	Furniture and fittings	Office equipment, appliances and computer systems	Motor vehicles	Total	
	(Rupees)					
At July 1, 2024						
Cost	12,859,117	8,767,406	42,822,238	6,520,400	70,969,161	-
Accumulated depreciation	(12,345,084)	(7,754,830)	(33,858,274)	(2,264,750)	(56,222,938)	-
Net book value	514,033	1,012,576	8,963,964	4,255,650	14,746,223	-
Additions	-	-	6,063,657	-	6,063,657	65,650,747
Disposals						
Cost	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-
	-	-	-	-	-	-
Depreciation charge for the year	(220,296)	(227,820)	(6,877,251)	(433,644)	(7,759,011)	(5,738,754)
Closing net book value	293,737	784,756	8,150,370	3,822,006	13,050,869	59,911,993
At June 30, 2025						
Cost	12,859,117	8,767,406	48,885,895	6,520,400	77,032,818	65,650,747
Accumulated depreciation	(12,565,380)	(7,982,650)	(40,735,525)	(2,698,394)	(63,981,949)	(5,738,754)
Net book value	293,737	784,756	8,150,370	3,822,006	13,050,869	59,911,993
Depreciation rate (% per annum)	33.33%	15.00%	20% - 33.33%	20% - 25%		over the lease term

7.2 Included in the cost of tangible assets in own use are fully depreciated items which are still in use aggregating to Rs. 53.90 million (June 30, 2025: Rs. 51.84 million).

7.3 Details of disposal of property and equipment are as follows:

Particulars	Cost of assets	Accumulated depreciation	Carrying value	Sales proceeds	Gain on disposal	Mode of disposal	Purchaser	Relationship with the purchaser
	(Ru pees)							
June 30, 2026	230,942	230,942	-	76,000	76,000	Negotiation	Faraz Cool Centre	None
June 30, 2025	-	-	-	-	-	-	-	-

	Note	June 30, 2026	June 30, 2025
		(Rupees)	
8 INTANGIBLE ASSETS			
Software	8.1 & 8.2	283,261	1,825,173

		June 30, 2026	June 30, 2025
8.1	**Opening balance**	---------- (Rupees) ----------	
	Cost	37,471,030	37,243,330
	Accumulated amortisation	(35,645,857)	(33,474,393)
	Net book value	1,825,173	3,768,937
	Additions during the year	-	227,700
	Disposals		
	Cost	-	-
	Accumulated amortisation	-	-
		-	-
	Amortisation charge for the year	(1,541,912)	(2,171,464)
	Closing net book value	283,261	1,825,173
	Closing balance		
	Cost	37,471,030	37,471,030
	Accumulated amortisation	(37,187,769)	(35,645,857)
	Net book value	283,261	1,825,173
	Rate of amortisation	33.33%	33.33%

8.2 Included in the cost of intangible assets use are fully amortised items which are still in use aggregating to Rs. 33.78 million (June 30, 2025: Rs. 30.89 million).

		Note	June 30, 2026	June 30, 2025
9	**DEFERRED TAX ASSETS - NET**		---------- (Rupees) ----------	
	Deferred tax assets - net	9.1 & 9.2	67,061,837	57,377,814

9.1 Movement in deferred tax balances

	As at July 01, 2025	Recognised in profit and loss	Recognised in OCI	As at June 30, 2026
	----------	Rupees	----------	
Deductible temporary differences:				
- Ijarah assets	23,855,707	(113,565)	-	23,742,142
- Property and equipment	3,577,083	(83,182)	-	3,493,901
- Intangible assets	2,688,441	(268,330)	-	2,420,111
- Right of use assets	1,893,788	2,819,207	-	4,712,995
- ECL allowance in respect of Ijarah financing and diminishing musharika	17,849,707	7,525,698	-	25,375,405
- Provision for SWWF	5,772,915	983,574	-	6,756,489
- Provision for SST on Management Company remuneration	4,059,722	833,538	-	4,893,260
	59,697,363	11,696,940	-	71,394,303
Taxable temporary differences:				
- Staff loans	(541,976)	-	-	(541,976)
- Lease liabilities	(1,777,573)	(2,012,917)	-	(3,790,490)
	(2,319,549)	(2,012,917)	-	(4,332,466)
	57,377,814	9,684,023	-	67,061,837

9.2 Reconciliation of deferred tax assets

	Note	June 30, 2026	June 30, 2025
		---------- (Rupees) ----------	
Deferred tax assets - opening balance		57,377,814	21,695,041
Current year recognised through the profit and loss account		9,684,023	35,682,773
Deferred tax assets - closing balance		67,061,837	57,377,814

10 IJARAH RENTALS RECEIVABLE

	Note	June 30, 2026	June 30, 2025
Ijarah rentals receivable - considered good - secured		25,653,231	41,025,963
Ijarah rentals receivable - considered bad or doubtful		43,051,200	56,179,437
		68,704,431	97,205,400
Less: Allowance for ECL on ijarah rentals receivable	10.1	(60,881,640)	(63,494,776)
		7,822,791	33,710,624

10.1 Allowance for ECL on ijarah rentals receivable

Opening balance		63,494,776	54,159,836
(Reversal) / charge for the year		(2,613,136)	9,334,940
Closing balance	10.2	60,881,640	63,494,776

10.2 The following table sets out information about the ECL allowance of ijarah rentals receivable:

	Note	June 30, 2026		June 30, 2025	
		(Rupees)		(Rupees)	
Ijarah		**Exposure at Default**	**ECL allowance**	Exposure at Default	ECL allowance
Stage 1		244,465,550	104,304	519,124,456	279,548
Stage 2		11,147,162	132,483	46,139,020	208,320
Stage 3		86,219,108	74,928,808	102,282,812	77,290,863
	10.2.1	341,831,820	75,165,595	667,546,288	77,778,731
Less: Impairment on ijarah assets		-	(14,283,955)	-	(14,283,955)
		341,831,820	60,881,640	667,546,288	63,494,776

10.2.1 Expected credit losses are 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 year ended June 30, 2026.

10.2.2 An analysis of change in allowance for ECL in relation to ijarah financing is, as follows:

	June 30, 2026			
	(Rupees)			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Opening balance	279,548	208,320	63,006,908	63,494,776
(Reversal) for the year	(175,244)	(75,837)	(2,362,055)	(2,613,136)
Closing balance	104,304	132,483	60,644,853	60,881,640

	June 30, 2025			
	(Rupees)			
	Stage 1	Stage 2	Stage 3	Total
Opening balance	616,793	-	53,543,043	54,159,836
(Reversal) / charge for the year	(337,245)	208,320	9,463,865	9,334,940
Closing balance	279,548	208,320	63,006,908	63,494,776

10.2.3 Particulars of credit loss allowance - Ijarah rental receivable

	June 30, 2026			
	(Rupees)			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Opening balance	279,548	208,320	63,006,908	63,494,776
(Reversal) for the year	(175,244)	(75,837)	(2,362,055)	(2,613,136)
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Closing balance	104,304	132,483	60,644,853	60,881,640

	June 30, 2025			
	(Rupees)			
	Stage 1	Stage 2	Stage 3	Total
Opening balance	616,793	-	53,543,043	54,159,836
(Reversal) / Charge for the year	(284,843)	155,918	9,463,865	9,334,940
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	(52,402)	52,402	-	-
Transfer to Stage 3	-	-	-	-
Closing balance	279,548	208,320	63,006,908	63,494,776

11 ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES	Note	June 30, 2026	June 30, 2025
		(Rupees)	
Considered good			
Advances			
Advances against assets under ijarah arrangements	11.1	-	15,065,134
Advances against assets under diminishing musharika arrangements	11.1	123,571,451	171,554,442
		123,571,451	186,619,576
Deposits		1,066,000	1,063,000
Prepayments			
Prepaid commission for the sale of Certificates of Musharika (COM)	11.2	18,444,505	20,470,090
Prepayment related to staff loan	11.3	29,009,834	40,707,471
Other prepayments		7,688,183	10,165,727
		55,142,522	71,343,288
Other receivables			
Receivable from former employees		-	74,454,901
Accrued profit on deposit accounts		5,888,315	3,678,773
Others		3,562,664	137,439
		9,450,979	78,271,113
Considered doubtful			
Others		1,139,734	1,139,734
Provision for impairment loss against doubtful recoveries	11.4	(1,139,734)	(1,139,734)
		-	-
		189,230,952	337,296,977

11.1 These represent amounts disbursed to various vendors for the supply or construction of assets against the financing to be extended by the Modaraba to its customers under Ijarah and diminishing musharika arrangements.

11.2 Commission in respect of the sale of COMs is being amortised over the maturity period.

11.3 The prepayment related to staff loan is amortised on a straight line basis over the term of the loan.

11.4 Movement in provision for impairment loss against doubtful recoveries during the year is as follows:

	Note	June 30, 2026	June 30, 2025
		(Rupees)	
Opening balance		1,139,734	816,200
Charge for the year		-	323,534
Closing balance		1,139,734	1,139,734

12 SHORT TERM INVESTMENTS

	Note		
At fair value through profit or loss			
Investment in mutual funds	12.1	41,703	159,735,406

12.1 Following is the break-up of investment in mutual funds:

Name of investee fund	As at July 01, 2025	Dividend reinvest / Bonus	Redemption during the year	As at June 30, 2026	As at June 30, 2025	As at June 30, 2026			
						Carrying value	Market value	Unrealised gain on revaluation of financial assets at fair value through P/L	As at June 30, 2025 Market value
	(Number of Units)					(Rupees)			
NBP Islamic Daily Dividend Fund	547,881	2,889	549,418	1,352	547,881	13,046	13,046	-	5,478,802
UBL Al- Ameen Islamic Cash Plan - I	63,058	11	62,909	160	63,058	15,723	15,723	-	6,335,106
Alfalah Islamic Rozana Amdani Fund	1,410,861	15	1,410,876	-	1,410,861	-	-	-	141,086,096
Al Hamra Islamic Money Market Fund	66,965	298	67,146	117	66,965	12,934	12,934	-	6,663,650
Al Hamra Daily Dividend Fund	1,718	10	1,728	-	1,718	-	-	-	171,752
						41,703	41,703	-	159,735,406

13 CASH AND BANK BALANCES

	Note	June 30, 2026	June 30, 2025
		(Rupees)	
Balances with banks			
- in current accounts		25,025,607	14,144,315
- in deposit accounts	13.1	653,699,242	589,909,805
- in term deposit receipts		-	-
Balance with the State Bank of Pakistan		366,603	338,893
Cash in hand		117,796	186,697
		679,209,248	604,579,710
Less: Expected credit loss allowance	13.4	(92,448)	-
		679,116,800	604,579,710

13.1 These carry profit at the rates ranging between 3% to 10.7% (June 30, 2025: 5% to 19%) per annum.

13.2 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.

13.3 The following information (list of Banks and Financial Institutions with which the Modaraba has a relationship with Islamic window of operations) has been disclosed as required under the Companies Act, 2017;

Bank Name

- Standard Chartered Bank - Sadiq
- Askari Bank Limited
- Meezan bank Limited
- United Bank Limited - Ameen
- Allied Bank Limited - Aitebar
- Al-Baraka Bank Limited
- Dubai Islamic Bank
- Bank Alfalah Limited
- Bank AL Habib Limited
- Habib Bank Limited Islamic
- MCB Islamic Bank Limited
- State Bank of Pakistan
- Habib Metropolitan Bank Limited - Sirat

		June 30, 2026	June 30, 2025
		---------- (Rupees) ----------	
13.4	Movement in allowance for ECL during the year is as follows:		
	Opening balance	-	-
	Charge for the year	92,448	-
	Closing balance	92,448	-

14 CERTIFICATE CAPITAL AND STATUTORY RESERVE

Certificate capital

14.1 Issued, subscribed and paid-up certificate capital

June 30, 2026	June 30, 2025		June 30, 2026	June 30, 2025
(Number of certificates)				
		Authorised certificate capital		
50,000,000	50,000,000	Modaraba certificates of Rs. 10 each	500,000,000	500,000,000
		Issued, subscribed and paid-up capital		
28,500,000	28,500,000	Modaraba certificates of Rs. 10 each fully paid in cash	285,000,000	285,000,000
16,883,530	16,883,530	Issued as fully paid bonus certificates	168,835,300	168,835,300
45,383,530	45,383,530		453,835,300	453,835,300

14.1.1 Ordinary certificates of the Modaraba held by related parties as at year end are as follows:

	June 30, 2026		June 30, 2025	
	(Percentage of holding)	(Number of certificates)	(Percentage of holding)	(Number of certificates)
OLP Services Pakistan (Private) Limited *(The Management Company)*	10.00%	4,538,353	10.00%	4,538,353
OLP Financial Services Pakistan Limited *(The Parent Company of the Management Company)*	10.00%	4,538,353	10.00%	4,538,353
Mr. Shaheen Amin *(CEO of OLP Financial Services Pakistan Limited - Parent Company Chairman of the Board of the Management Company)*	0.22%	100,000	0.22%	100,000
Mr. Nadim D. Khan *(Ex-director of the Management Company)*	0.00%	-	0.01%	6,049

14.1.2 There are no agreements with certificate holders for voting rights, board selection, rights of first refusal, and block voting.

14.2 Statutory reserve

The Statutory reserve represents profits set aside as per the Modaraba Regulations, 2021 issued by the SECP. These regulations also require that, if minimum equity requirements are applicable on any Modaraba (financial services) and are not compliant, such Modarabas may create a reserve fund and the same shall be credited an amount equivalent to one hundred percent of its annual after-tax profit till such time the minimum equity requirements are complied with. The minimum equity requirement is applied on the Modaraba. No charge is required in the current year as the Modaraba has complied with the minimum equity requirement of Rs. 500 million.

15 TERM FINANCE ARRANGEMENTS

	Note	June 30, 2026	June 30, 2025
		---------- (Rupees) ----------	
Musharika / wakala finance from Islamic financial institutions	15.1 & 15.2	940,647,840	906,778,716
Profit payable on term finance arrangements		11,487,428	23,593,578
Less: Current portion of term finance arrangements		(370,729,030)	(342,429,822)
Long-term portion of term finance arrangements		581,406,238	587,942,472

15.1 Musharika / wakala finance

Name of bank	Facility limit June 30,		Frequency of profit payment	Tenor June 30,		Balance outstanding June 30,	
	2026	2025		2026	2025	2026	2025
	-------- (Rupees) --------					---------- (Rupees) ----------	
Allied Bank Limited - Aitebar	500,000,000	500,000,000	Quarterly	3-5 years	3-5 years	156,870,066	295,528,720
Pakistan Mortgage Refinance Company Limited	500,000,000	500,000,000	Quarterly	5 years	5 years	6,000,000	30,000,000
Meezan Bank Limited	500,000,000	500,000,000	Quarterly	5 years	5 years	156,249,996	281,249,996
Al-Baraka Limited	300,000,000	300,000,000	Quarterly	5 years	5 years	243,750,000	300,000,000
Habib Metropolitan Bank Limited - Sirat	400,000,000	-	Quarterly	5 years	-	377,777,778	-
						940,647,840	906,778,716

15.2 These carry profit at the rates ranging between 9.52% to 12.76% (June 30, 2025:12.08% to 22.77%) per annum.

16 RUNNING MUSHARIKA

	Note	June 30, 2026	June 30, 2025
		(Rupees)	
Name of bank			
MCB Islamic Bank Limited	16.1	-	150,000,000
Profit payable on Running Musharika		1,102,905	5,936,573
		1,102,905	155,936,573

16.1 This represents Running musharika facility of PKR 500 million from MCB Islamic Bank Limited for working capital requirements. The facility is secured against exclusive hypothecation over fixed assets with 25% margin and carries profit ranging from 11.13% to 11.99% per annum (June 30, 2025: 12.42% to 12.66%). The facility is renewable annually and repayable from internal cash flows of the Modaraba.

17 SECURITY DEPOSITS

	Note	June 30, 2026	June 30, 2025
		(Rupees)	
Security deposits	17.1	111,634,834	230,985,080
Add: Unearned income	17.2	22,646,366	47,589,496
		134,281,200	278,574,576
Less: Current portion of security deposits		(62,710,848)	(131,090,150)
Long term portion of security deposits		71,570,352	147,484,426

17.1 These represent amounts received under Ijarah finance, repayable / adjustable at the expiry of the lease period. These are initially recorded at present value and subsequently measured at amortised cost.

17.2 The unearned revenue is amortised on a straight line basis over the term of the lease.

17.3 The fair value is calculated using discounted cashflows technique which considers the present value of expected cashflows using the market rate as it best represents the fair value due to the nature of the tenure of the deposit.

18 LEASE LIABILITIES AGAINST RIGHT-OF-USE ASSETS

	Note	June 30, 2026	June 30, 2025
		(Rupees)	
Balance as at beginning of the year		60,264,166	-
Additions during the year		-	65,650,747
Amortisation of lease liability against right-of-use assets	22	4,820,204	3,207,779
Payments made during the year		(14,963,878)	(8,594,360)
Balance as at end of the year		50,120,492	60,264,166
Less: Current portion of lease liability	18.1	(15,508,519)	(7,852,473)
Long term portion of lease liability		34,611,973	52,411,693

18.1 Details of minimum lease payments

	June 30, 2026		June 30, 2025	
	Minimum lease payments	Present value of minimum lease payments	Minimum lease payments	Present value of minimum lease payments
	---------- (Rupees) ----------		---------- (Rupees) ----------	
Not later than one year	16,353,561	15,508,519	14,963,874	7,852,473
Later than one year but not later than five years	43,906,255	34,611,973	64,520,346	52,411,693
Later than five years	-	-	-	-
	60,259,816	50,120,492	79,484,220	60,264,166

18.2 Lease liabilities have been discounted using incremental borrowing rates ranging from 11.64% to 12.64% per annum (June 30, 2025: 11.83% to 13.85% per annum). The incremental borrowing rate represents the rate that the Modaraba would have to pay to borrow funds over a similar term, with similar security, to obtain an asset of a similar value in a similar economic environment.

19 ACCRUED AND OTHER LIABILITIES

	Note	June 30, 2026	June 30, 2025
		---------- (Rupees) ----------	
Remuneration payable to the Management Company	19.1	28,002,920	29,103,352
Accrued expenses		27,333,106	25,870,039
Amounts refundable to lessees		160,110,182	140,290,884
Commission payable on certificates of musharika		7,200,200	4,904,200
Provision for Workers' Welfare Fund	19.2	40,387,512	35,430,995
Provision for services sales tax on the Management Company's remuneration	26	38,584,619	34,384,181
Charity payable	19.3	455,654	2,331,235
Others		26,331,682	15,592,411
		328,405,875	287,907,297

19.1 Amounts due to OLP Services Pakistan (Private) Limited as at June 30, 2026 aggregated to Rs. 28.003 million (June 30, 2025: Rs. 29.103 million).

19.2 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: Rs 1.999 million). The management has provided for SWWF liability for the period from January 1, 2014 to June 30, 2026 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.

19.3 During the current year, donations paid out of the charity payable account include donation to Layton Rahmatulla Benevolent Trust Hospital amounting to Rs. 1 million (June 30, 2025: Rs. 2 million) and an amount of Rs. 1 million (June 30, 2025: Rs. 2 million) was donated to The Patients' Behbud Society for AKU and amount of Rs. 1 million (June 30, 2025: Nil) was donated to Patient Aid Foundation.

	Note	June 30, 2026	June 30, 2025
20 REDEEMABLE CAPITAL - PARTICIPATORY AND UNSECURED		---------- (Rupees) ----------	
Redeemable Capital - Certificates of musharika (COM)	20.1 & 20.1.1	5,439,987,424	5,682,548,521
Less: Current portion of redeemable capital	20.2	(3,800,982,424)	(5,580,448,521)
		1,639,005,000	102,100,000

20.1 These carry estimated share of profit ranging between Rs. 0 to Rs. 0.3477 per thousand per day (0% to 12.69% per anum) (June 30, 2025: Rs. 0 to Rs. 0.3164 per thousand per day (0% to 11.55% per anum)) and are due to mature latest by May 14, 2031 (June 30, 2025: June 03, 2030).

20.1.1 This includes COM issued to key management personnel amounting to Rs. 33.60 million (June 30, 2025: Rs.33.65 million) at the rate ranging from 0% to 9.45% (June 30, 2025: 0% to 21.05%) per annum.

	Note	June 30, 2026	June 30, 2025
20.2 Current portion of redeemable capital		---------- (Rupees) ----------	
Current portion of certificates of musharika		3,664,450,000	5,394,650,000
Payable to holders of matured certificates of musharika	20.2.1	87,205,000	136,705,000
Profit payable on Certificates of musharika		49,327,424	49,093,521
		3,800,982,424	5,580,448,521

20.2.1 These represent amounts with respect to already matured certificates against which respective customer's request for encashment along with original certificates are pending.

21 CONTINGENCIES AND COMMITMENTS

21.1 Contingencies

There were no contingencies outstanding as at June 30, 2026 and June 30, 2025.

21.2 Commitments

The Modaraba has issued Nil Letter of Comfort as at June 30, 2026 (June 30, 2025: Sindh Bank Limited on behalf of M/s. AIMS Hosiery Limited & M/s. Demont Research Laboratories (Private) 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.

		Note	June 30, 2026	June 30, 2025
			(Rupees)	
22	**FINANCIAL AND OTHER CHARGES**			
	Profit on redeemable capital		491,019,277	670,420,207
	Profit on term finance arrangements		122,509,917	178,198,412
	Profit on running musharika		13,025,371	13,973,845
	Commission		40,419,861	49,095,839
	Unwinding of security deposits		27,421,425	39,880,208
	Amortisation of lease liability against right-of-use assets		4,820,204	3,207,779
	Bank charges		784,221	581,324
			700,000,276	955,357,614
23	**OTHER INCOME**			
	Gain on disposal of Ijarah assets		11,602,245	55,130,794
	Gain on disposal of tangible assets	7.3	76,000	-
	Insurance service fee and others		25,566,266	35,066,160
			37,244,511	90,196,954
24	**ADMINISTRATIVE AND OPERATING EXPENSES**			
	Salaries and other staff benefits	24.1 & 30	176,363,451	182,581,325
	Repairs and maintenance		31,645,115	27,953,015
	Utilities expenses		9,643,252	10,574,061
	Legal and professional		14,781,500	9,027,906
	Rent	24.2	896,430	8,705,901
	Depreciation on tangible assets in own use	7.1	5,171,722	7,759,012
	Depreciation on right-of-use assets	7.1	14,206,802	5,738,754
	Printing and stationery		2,733,589	3,566,107
	Auditor's remuneration	24.3	3,841,560	3,465,879
	Advertising, travelling and entertainment		2,517,586	2,793,452
	Telecommunication		2,651,718	2,666,736
	Postage		158,056	2,268,714
	Amortisation on intangible assets	8.1	1,541,912	2,171,464
	Sundry expenses		10,764,788	1,700,718
	Subscriptions		2,064,144	1,636,976
	Certificate of Musharika trustee fee		1,406,910	1,445,618
	Insurance - own assets		391,155	388,134
			280,779,690	274,443,772

24.1 Salaries and other staff benefits include Rs.6.90 million and Rs.5.74 million (June 30, 2025: Rs. 6.85 million and Rs. 5.71 million) on account of the Modaraba's contribution to the staff provident fund and staff defined contribution scheme respectively. Modaraba has recognised a cost equal to the contribution payable for the year as the management company is legally sponsoring Modaraba for the plan.

24.1.1 During the year, Modaraba made fixed contribution to the staff defined contribution scheme at the rate of 8.33% (June 30, 2025: 8.33%) of staff basic salary.

24.2 This includes expense allocated by OLP Financial Services Pakistan Limited (OLPL) (Holding Company) on account of usage of OLPL's space, furniture, fixtures and office equipment in Islamabad by the Modaraba.

	Note	June 30, 2026	June 30, 2025
24.3 Auditor's remuneration		---------- (Rupees) ----------	
Statutory audit fee		1,161,600	1,056,000
Half yearly review fee		330,000	300,000
Fee for review of compliance with the Code of Corporate Governance		126,496	114,996
Fee for other certifications and other audit related services		1,477,900	1,358,151
Out of pocket expenses		461,004	380,000
		3,557,000	3,209,147
Sindh sales tax on services		284,560	256,732
		3,841,560	3,465,879

25 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 Modarabas (Floatation and Control) Ordinance, 1980 upto a maximum of 10% per annum of the net annual profits of the Modaraba. The remuneration for the year ended June 30, 2026 has been recognised at 10% (June 30, 2025: 10%) of the profit for the year before charging such remuneration.

26 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 complaint 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.

27 LEVIES

	Note	June 30, 2026	June 30, 2025
		(Rupees)	
Final tax u/s 150	27.1	349,153	3,961,811

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

28 TAXATION

	Note	June 30, 2026	June 30, 2025
		(Rupees)	
Taxation			
Current			
- For the year		91,499,164	110,057,486
- Prior year		-	-
		91,499,164	110,057,486
Deferred			
- For the year	9	(9,684,023)	(35,682,773)
- Prior year		-	-
		(9,684,023)	(35,682,773)
	28.2	81,815,141	74,374,713

28.1 Reconciliation of current tax charged as per tax laws for the year, with current tax recognized in the profit and loss account, is as follows:

Current tax liability as per applicable tax laws	91,848,317	78,336,524
Portion of current tax liability as per tax laws, representing income tax under IAS 12	(91,499,164)	(74,374,713)
Portion of current tax liability as per tax laws, representing levy in terms of requirements of IFRIC 21/IAS 37	(349,153)	(3,961,811)
Difference	-	-

28.2 Relationship between tax expense and accounting profit

Profit before taxation	242,520,170	248,451,558
Enacted tax rate	29%	29%
Tax calculated at enacted rate	70,330,849	72,050,952
- Impact of super tax	5,796,124	9,938,062
- Effect of lower rate of dividend income	-	(4,244,147)
- Change in rate of tax	5,688,168	(3,370,154)
	81,815,141	74,374,713
- Levy	349,153	3,961,811
	82,164,294	78,336,524

	Note	June 30, 2026	June 30, 2025
29 EARNINGS PER CERTIFICATE - BASIC AND DILUTED		---------- (Rupees) ----------	
Basic			
Profit for the year after taxation		160,705,029	174,076,845
		-------- (Number) --------	
Weighted average number of certificates outstanding during the year		45,383,530	45,383,530
		-------- (Rupees) --------	
Earnings per certificate		3.54	3.84

Diluted

Diluted earnings per certificate has not been presented as the Modaraba does not have any convertible instruments in issue as at June 30, 2026 and June 30, 2025 which would have any effect on the earnings per certificate if the option to convert is exercised.

	Note	June 30, 2026	June 30, 2025
30 REMUNERATION OF OFFICERS AND EXECUTIVES		---------- (Rupees) ----------	
Remuneration and staff retirement benefits		169,671,019	175,864,359
Other benefits		6,692,432	6,716,966
Staff loan expense		-	-
	30.1 & 30.2	176,363,451	182,581,325
Number of employees at the end of the year		--------- (Number) --------	
- Permanent		42	38
- On contractual basis		13	20
		55	58
Average number of employees*		57	40

* Represents the average number of employees at the end of each month in the year.

30.1 It includes remuneration paid to all employees other than the Chief Executive, who is an employee of the Management Company of the Modaraba. Remuneration to the Chief Executive is recognised in the financial statements of the Management Company of the Modaraba.

30.2 The remuneration paid to the executives is as follows:

	Note	June 30, 2026	June 30, 2025
		(Rupees)	
Basic salary		57,226,393	49,372,398
House rent allowance		22,890,557	19,748,959
Medical allowance		5,722,639	4,937,240
Other allowances		17,648,384	18,628,560
Bonus		12,200,000	12,155,000
Contribution to provident fund		4,982,106	4,179,666
Contribution to defined contribution scheme		4,149,731	3,481,633
		96,206,614	112,503,456
		(Number)	
Number of executives at the end of the year		25	17

30.3 Executives denote employees, other than the Chief Executive and Executive Directors, whose basic salary exceeds twelve hundred thousand rupees in a financial year.

31 RISK MANAGEMENT

31.1 FINANCIAL RISK MANAGEMENT

Risk management framework

The Modaraba's objective in managing risk is the creation and protection of certificate holders' value. Risk is inherent in the Modaraba's activities, but it is managed through monitoring and controlling activities which are primarily set up based on limits established by the Management Company, the Modaraba's constitutive documents and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Modaraba as well as the level of the risk that the Modaraba is willing to accept. The Board of Directors of the Management Company has overall responsibility for the establishment and oversight of the Modaraba's risk management framework.

The activities of the Modaraba expose it to a variety of financial risks: market risk, credit risk and liquidity risk.

31.2 Market risk

Market risk is the risk that the fair values or future cash flows of a financial instrument will fluctuate because of the changes in market prices. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk. Market risk comprise of three types of risks: currency risk, profit rate risk and price risk.

Management of market risks

The Management Company manages market risk by monitoring its financial instruments as per the internal risk management policies and investment guidelines approved by the Board of Directors of the Management Company.

The Modaraba is exposed to profit and price risk.

31.2.1 Sensitivity of ECL to Future Economic Conditions

The ECL are sensitive to judgements and assumption made regarding formulation of forward-looking scenarios and how much such scenarios are incorporated into calculations. The Modaraba performs sensitivity analysis on the ECL recognized on ijarah and diminishing musharika financing.

		Upside		Central		Downside	
	Total ECL	Total ECL after sensitivity analysis	Increase / decrease in %	Total ECL after sensitivity analysis	Increase / decrease in %	Total ECL after sensitivity analysis	Increase / decrease in %
ECL on Ijarah and Diminishing Musharika financing	216,352,808	189,135,625	-12.58%	191,510,695	-11.48%	197,589,506	-8.67%

The table below shows the total loss allowance assuming each forward-looking scenario (e.g. Base, Best and Worst) were weighted 100 percent instead of applying scenario probability across the three scenarios.

31.3 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign currency exchange rates. At present, the Modaraba is not exposed to currency risk as all the transactions are carried out in Pakistani Rupees.

31.4 Profit rate risk

Profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market profit rates. At the reporting date, the profit rate profile of the Modaraba's profit bearing financial instruments and the periods in which these will mature are as follows (based on the earlier of repricing and contractual maturity):

		June 30, 2026						
			Exposed to yield / profit rate risk					
	Effective yield / profit rate %	Total	Upto one month	Over one month to three months	Over three months to one year	Over one year to five years	Over five years	Not exposed to yield / profit rate risk
		(Rupees)						
On-statement of financial position financial instruments								
Financial assets								
Diminishing Musharika	12.85% - 28.64%	7,077,362,809	936,802,817	3,058,468,365	3,082,091,627	-	-	-
Bank balances	3% - 10.7%	679,116,800	653,699,242	-	-	-	-	25,417,558
Advances, deposits and other receivables	-	10,516,979	-	-	-	-	-	10,516,979
Short term investments	-	41,703	-	-	-	-	-	41,703
Ijarah rentals receivable	-	7,822,791	-	-	-	-	-	7,822,791
		7,774,861,082	1,590,502,059	3,058,468,365	3,082,091,627	-	-	43,799,031
Financial liabilities								
Redeemable capital	0% - 12.69%	5,390,660,000	310,205,000	2,882,700,000	2,058,750,000	139,005,000	-	-
Term finance arrangements	9.52% - 12.76%	940,647,840	319,120,065	621,527,775	-	-	-	-
Security deposits	-	134,281,200	-	-	-	-	-	134,281,200
Creditors, accrued and other liabilities	-	249,433,744	-	-	-	-	-	249,433,744
Running musharika	11.08% - 11.99%	1,102,905	-	-	-	-	-	1,102,905
Lease liabilities	-	50,120,492	-	-	-	-	-	50,120,492
Unclaimed profit distribution	-	84,452,115	-	-	-	-	-	84,452,115
		6,850,698,296	629,325,065	3,504,227,775	2,058,750,000	139,005,000	-	519,390,456
On-statement of financial position gap (a)		924,162,786	961,176,994	(445,759,410)	1,023,341,627	(139,005,000)	-	(475,591,425)
Off-statement of financial position financial instrument								
Commitments			-	-	-	-	-	-
Off-statement of financial position financial instrument gap (b)			-	-	-	-	-	-
Total interest rate sensitivity gap (a+b)			**961,176,994**	**(445,759,410)**	**1,023,341,627**	**(139,005,000)**	**-**	
Cumulative interest rate sensitivity gap			**961,176,994**	**515,417,584**	**1,538,759,211**	**1,399,754,211**	**1,399,754,211**	

		June 30, 2025						
			Exposed to yield / profit rate risk					
	Effective yield / profit rate %	Total	Upto one month	Over one month to three months	Over three months to one year	Over one year to five years	Over five years	Not exposed to yield / profit rate risk
		(Rupees)						
On-statement of financial position financial instruments								
Financial assets								
Diminishing Musharika	12.81% - 26.19%	6,810,157,725	23,693,527	8,261,825	213,382,196	6,410,143,258	154,676,919	-
Short term investments	5% - 19%	604,579,710	590,248,698	-	-	-	-	14,331,012
Bank balances	-	138,672,900	-	-	-	-	-	138,672,900
Advances, deposits and other receivables	-	159,735,406	-	-	-	-	-	159,735,406
Ijarah rentals receivable	-	33,710,624	-	-	-	-	-	33,710,624
		7,746,856,365	613,942,225	8,261,825	213,382,196	6,410,143,258	154,676,919	346,449,942
Financial liabilities								
Redeemable capital	6% - 11.55%	5,633,455,000	1,064,905,000	1,994,550,000	2,471,800,000	102,200,000	-	-
Term finance arrangements	12.08% - 22.77%	906,778,716	153,950,540	752,828,176	-	-	-	-
Security deposits	-	278,574,576	-	-	-	-	-	278,574,576
Creditors, accrued and other liabilities	-	296715793	-	-	-	-	-	296,715,793
Running musharika	14% - 18%	150,000,000	-	-	150,000,000	-	-	
Lease liabilities	-	60,264,166	-	-	-	-	-	60,264,166
Unclaimed profit distribution	-	79,892,967	-	-	-	-	-	79,892,967
		7,405,681,218	1,218,855,540	2,747,378,176	2,621,800,000	102,200,000	-	715,447,502
On-statement of financial position gap (a)		341,175,147	(604,913,315)	(2,739,116,351)	(2,408,417,804)	6,307,943,258	154,676,919	(368,997,560)
Off-statement of financial position financial instrument								
Commitments			-	-	-	-	-	144,656,000
Off-statement of financial position financial instrument gap (b)			-	-	-	-	-	(144,656,000)
Total interest rate sensitivity gap (a+b)			(604,913,315)	(2,739,116,351)	(2,408,417,804)	6,307,943,258	154,676,919	
Cumulative interest rate sensitivity gap			(604,913,315)	(3,344,029,666)	(5,752,447,470)	555,495,788	710,172,707	

Sensitivity analysis for variable rate instrument

As at reporting date, variable rate instruments of the Modaraba represent cash and bank balances, Diminishing Musharika and Ijarah financing, term finance arrangements and redeemable capital. In case of 100 basis points increase / decrease in profit rates on the last repricing date of variable rate instruments with all other variables held constant, the following will be the impact on the statement of profit and loss and the equity of the Modaraba:

	As at June 30, 2026		As at June 30, 2025	
	Increase of 100 basis points	Decrease of 100 basis points	Increase of 100 basis points	Decrease of 100 basis points
	(Rupees)			
Variable rate financial assets	77,310,621	(77,310,621)	74,000,675	(74,000,675)
Variable rate financial liabilities	(63,313,078)	63,313,078	(66,902,337)	66,902,337
Net effect on profit and loss	13,997,542	(13,997,542)	7,098,338	(7,098,338)

Sensitivity analysis for fixed rate instrument

There are no fixed rate financial instruments as at June 30, 2026 and June 30, 2025.

The composition of the Modaraba's portfolio of financial instruments and profit rates are expected to change over time. Therefore, the sensitivity analysis prepared as of June 30, 2026 is not necessarily indicative of the effect on the Modaraba's profit and loss and reserves due to changes in profit rates.

31.5 Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from profit rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The fair value and average cost of units of mutual fund as at June 30, 2026 is Rs. 0.0417 million (June 30, 2025: Rs. 159.048 million).

31.6 Credit risk

Credit risk represents the risk of a loss if counterparties fail to perform as contracted. The risk is generally limited to principal amounts and accrued interest thereon, if any. The Modaraba's policy is to enter into financial contracts in accordance with the internal risk management policies and the requirements of the Modaraba rules and regulations. The carrying amount of financial assets represents the maximum credit exposure at the reporting date.

	Note	June 30, 2026	June 30, 2025
		(Rupees)	
Financial Assets			
Diminishing Musharika		7,132,460,880	6,869,496,513
Bank balances		679,116,800	604,393,013
Short term Investments		41,703	159,735,406
Advances, deposits and other receivables		10,516,979	79,334,113
Ijarah rentals receivable		7,822,791	33,710,624
		7,829,959,153	7,746,669,669

As at June 30, 2026 and June 30, 2025, Ijarah rental receivables are pledged as collateral against musharika / wakala term finance.

31.6.1 Management of credit risk

The Modaraba's policy is to enter into financial contracts in accordance with the internal risk management polices and the requirements of the Modaraba Regulations, 2021 issued by the SECP. The Modaraba seeks to manage its credit risk exposure through diversification of its Ijarah and diminishing musharika arrangements to avoid undue concentration of risks with individuals or groups of customers in specific locations or businesses.

The outstanding amount of Modaraba's Ijarah finance are secured against leased assets. In few cases, additional collateral is also obtained in the form of mortgage of property. The Modaraba is entitled to repossess and sell these assets in case of default by the customers. During the current year, the Modaraba has not repossessed any assets.

Credit risk ratings

The Modaraba maintains balances with banks and mutual funds (i.e. daily dividend income funds) having reasonably high credit ratings which are summarized as follows:

	June 30, 2026	June 30, 2025
	---------- (Rupees) ----------	
Banks and Mutual Fund balances		
AAA	95,447,701	456,144,526
A+	420,522,700	301,045,007
AA+	162,694,137	6,535,106
AA	66,449	64,889
AA-	35,565	-
The State Bank of Pakistan	366,603	338,894
	679,133,155	764,128,422

31.6.2 Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect the groups of counterparties whose aggregate credit exposure is significant in relation to the Modaraba's total credit exposure.

The Modaraba manages credit risks and its concentration through diversification of activities to avoid undue concentration of risk with individuals, groups or specific industry segments. For this purpose, the Modaraba has established exposure limits for individuals and industrial sectors.

Details of the sector wise analysis of gross ijarah assets and diminishing musharika are as follows:

Sectors	June 30, 2026		June 30, 2025	
	(Rupees)	%	(Rupees)	%
Employee finance of corporate entities	1,987,174,241	26.57%	1,899,379,598	25.73%
Textile	1,068,054,193	14.28%	1,234,901,163	16.73%
Others	469,883,584	6.28%	501,151,967	6.79%
Printing, publishing and packages	587,816,745	7.86%	323,804,467	4.39%
Steel	543,790,660	7.27%	388,881,530	5.27%
Fast moving consumer goods (FMCGs) / food and allied	409,694,358	5.48%	360,674,926	4.88%
Travel, transport, storage	374,602,138	5.01%	140,521,538	1.90%
Poultry / poultry feeds	281,847,048	3.77%	258,558,855	3.50%
Services	271,226,239	3.63%	354,116,435	4.80%
Pharmaceuticals	262,562,070	3.51%	300,651,356	4.06%
Sugar	256,543,316	3.43%	478,600,614	6.48%
Chemicals	181,288,233	2.42%	236,582,684	3.20%
Plastic	157,465,620	2.11%	220,631,538	2.99%
Distribution	147,678,357	1.97%	117,180,210	1.59%
Leather / tyre and rubber	146,082,372	1.95%	173,251,120	2.35%
Dairy, farming and allied	98,044,935	1.31%	61,084,103	0.83%
Gas	74,468,596	1.00%	41,259,574	0.56%
Engineering	50,342,345	0.67%	118,478,465	1.60%
Confectionery	39,273,192	0.53%	39,273,192	0.53%
Financial institutions	29,456,081	0.39%	40,361,033	0.55%
Automobile	25,231,610	0.34%	64,475,215	0.87%
Power, energy, water	15,148,064	0.20%	29,531,421	0.40%
	7,477,673,997	100%	7,383,351,004	100%

Reconciliation of the sector wise analysis of gross ijarah assets and diminishing musharika with the notes to the financial statements is as follows:

	Note	June 30, 2026	June 30, 2025
		(Rupees)	
Investment in Ijarah finance / assets under Ijarah arrangements	6	324,023,149	736,741,555
Less: Security deposits held	17	(134,281,200)	(278,574,576)
Add: Impairment against Ijarah assets	6.1	14,283,955	14,283,955
		204,025,904	472,450,934
Investment in diminishing musharika	5	7,132,460,880	6,810,157,726
Add: Provision in respect of diminishing musharika	5.3	141,187,213	100,742,343
		7,273,648,093	6,910,900,069
		7,477,673,997	7,383,351,003

31.6.3 The Modaraba applies the IFRS 9 general approach to measure Expected Credit Losses (ECL) for Ijarah Finance and diminishing musharika. The probability of default (PD) is estimated using the Vasicek Distribution Framework which makes usage of respective segment of financial assets' correlation of historical PD of each ageing bucket (calculated using formula as per Basel's Internal Rating based approach) and weighted average economic factor. The computation of ECL is sensitive to macroeconomic variables such as GDP growth rate, inflation. For the computation of forward-looking PDs, the Modaraba uses forecasted macroeconomic data from independent external sources. To measure the expected credit losses, such financial assets have been grouped based on days past due. On that basis, the loss allowance as at June 30, 2026 and June 30, 2025 was determined as follows:

Ijarah finance and diminishing musharika

		June 30, 2026		
	Credit Impaired	Expected loss rate	Gross carrying amount	Loss allowance
			Rupees	
Not yet due	No	0.01%	5,529,944,677	752,639
1-30 days	No	0.14%	1,647,275,272	2,238,340
31-60 days	No	0.42%	119,806,292	499,631
61-90 days	No	0.63%	111,087,474	705,215
91-180 days	Yes	5.06%	2,574,982	130,291
181-365 days	Yes	60.93%	139,099,414	84,754,461
More than 365 days	Yes	82.51%	154,252,431	127,272,237
Total			7,704,040,542	216,352,815

Ijarah Finance and Diminishing Musharika

		June 30, 2025		
	Credit Impaired	Expected loss rate	Gross carrying amount	Loss allowance
			Rupees	
Not yet due	No	0.04%	5,716,920,856	2,255,231
1-30 days	No	0.21%	1,199,206,395	2,500,625
31-60 days	No	1.21%	454,999,278	5,495,904
61-90 days	No	1.61%	51,567,177	829,858
91-180 days	Yes	4.11%	142,276,037	5,854,092
181-365 days	Yes	84.87%	59,926,666	50,857,183
More than 365 days	Yes	100.00%	110,728,182	110,728,182
Total			7,735,624,591	178,521,075

For ijarah finance and diminishing musharika, a life time ECL is recorded in which there has been Significant Increase in Credit Risk (SICR) from the date of initial recognition and for financial assets which are credit impaired as on reporting date. There is a significant increase in credit risk when a financial asset is overdue by more than 30 days. A 12 months ECL is recorded for all other financial assets which do not meet the criteria for SICR or "credit impaired" as at reporting date. To assess whether there is a significant increase in credit risk the Modaraba compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. The Modaraba also considers reasonable and supportive forward-looking information in determination of ECL.

31.7 Liquidity risk

Liquidity risk is the risk that the Modaraba will encounter difficulty in meeting its financial obligations as they fall due. Liquidity risk arises because of the possibility that the Modaraba will be required to pay / settle its liabilities earlier than expected or will face difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. The Modaraba's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Modaraba's reputation.

The following are the contractual maturities of financial liabilities:

Financial liabilities	Carrying Amount	Contractual cash flows	Up to 1 month	Over 1 month to 3 months	Over 3 months to 1 year	Over 1 year to 5 years	Over 5 years
	June 30, 2026						
	(Rupees)						
Redeemable capital	5,439,987,424	(5,439,987,424)	(359,532,424)	(1,382,700,000)	(2,058,750,000)	(1,639,005,000)	-
Term finance arrangements	952,135,268	(952,135,268)	(48,737,452)	(40,972,222)	(280,833,299)	(581,592,295)	-
Security deposits	134,281,200	(134,281,200)	(25,830,573)	(2,577,555)	(55,054,026)	(50,819,046)	-
Accrued and other liabilities	249,433,744	(249,433,744)	(249,433,744)	-	-	-	-
Advance Ijarah rentals received	-	-	-	-	-	-	-
Running musharika	1,102,905	(1,102,905)	(1,102,905)	-	-	-	-
Lease liabilities	50,120,492	(50,120,492)	-	(1,618,984)	(9,609,055)	(38,892,453)	-
Unclaimed profit distribution	84,452,115	(84,452,115)	(84,452,115)	-	-	-	-
	6,911,513,148	(6,911,513,148)	(769,089,213)	(1,427,868,761)	(2,404,246,380)	(2,310,308,794)	-

Financial liabilities	Carrying Amount	Contractual cash flows	Up to 1 month	Over 1 month to 3 months	Over 3 months to 1 year	Over 1 year to 5 years	Over 5 years
	June 30, 2025						
	(Rupees)						
Redeemable capital	5,633,455,000	(6,309,469,600)	(1,192,693,600)	(2,233,896,000)	(2,768,416,000)	(114,464,000)	-
Term finance arrangements	906,778,716	(1,215,295,523)	(177,043,121)	-	(10,747,951)	(1,027,504,452)	-
Security deposits	278,574,576	(278,574,576)	(57,756,932)	(7,975,615)	(65,391,999)	(147,450,030)	-
Accrued and other liabilities	296,715,793	(296,715,793)	(296,715,793)	-	-	-	-
Advance Ijarah rentals received	-	-	-	-	-	-	-
Running musharika	150,000,000	(150,000,000)	(150,000,000)	-	-	-	-
Lease liabilities	-	-	-	-	-	-	-
Unclaimed profit distribution	79,892,967	(79,892,967)	(79,892,967)	-	-	-	-
	7,345,417,052	(8,329,948,459)	(1,954,102,413)	(2,241,871,615)	(2,844,555,950)	(1,289,418,482)	-

31.8 Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the processes, technology and infrastructure supporting the Modaraba's operations either internally within the Modaraba or externally at the Modaraba's service providers, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of investment management behavior. Operational risks arise from all of the Modaraba's activities.

The Modaraba's objective is to manage operational risk so as to balance limiting of financial losses and damage to its reputation with achieving its objective of generating returns for certificate holders.

The primary responsibility for the development and implementation of controls over operational risk rests with the Board of Directors of the Management Company. This responsibility encompasses the controls in the following areas:

- requirements for appropriate segregation of duties between various functions, roles and responsibilities;
- requirements for the reconciliation and monitoring of transactions;
- compliance with regulatory and other legal requirements;
- documentation of controls and procedures;
- requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified;
- ethical and business standards;
- risk mitigation, including insurance where this is effective.

32 STAFF RETIREMENT BENEFITS

32.1 The Modaraba has set up provident fund for its permanent employees and the contributions are made by the Modaraba to the fund. The total contribution made to the provident fund for the year ended June 30, 2026 was Rs.6.894 million (June 30, 2025: Rs. 6.846 million). The audit of the provident fund for the year ended June 30, 2026 is in progress. The total assets of the provident fund, based on the unaudited financial statements as at June 30, 2026 amounted to Rs. 49.125 million (June 30, 2025: Rs. 54.027 million), out of which 87.80% (June 30, 2025: 74.27%) was invested in different financial instruments categories while 12.20% (June 30, 2025: 24.45%) as deposits with Banks in remunerative accounts. The fair value as at June 30, 2026 of investments of the provident fund amounted to Rs. 43.128 million (June 30, 2025: Rs.40.124 million). The investments out of provident fund have been made in accordance with the requirements of section 218 of the Companies Act, 2017 and the rules formulated for this purpose.

32.2 The Modaraba has set up defined contribution scheme for its permanent employees and the contributions are made by the Modaraba to the fund. The total contribution made to the defined contribution scheme for the year ended June 30, 2026 was Rs. 5.743 million (June 30, 2025: Rs. 6.570 million). The audit of the defined contribution scheme for the year ended June 30, 2026 is in progress. The total assets of the defined contribution scheme, based on the unaudited financial statements as at June 30, 2026 amounted to Rs. 44.700 million (June 30, 2025: Rs. 57.133 million), out of which 75.47% (June 30, 2025: 56.31%) was invested in different financial instruments categories while 24.37% (June 30, 2025: 43.48%) as deposits with Banks in remunerative accounts. The fair value as at June 30, 2026 of investments of the defined contribution scheme amounted to Rs. 33.734 million (June 30, 2025: Rs. 32.171 million). The investments out of defined contribution scheme have been made in accordance with the requirements of section 218 of the Companies Act, 2017 and the rules formulated for this purpose.

33 CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the statement of cash flows comprise of the following amounts appearing on the statement of financial position:

	June 30, 2026	June 30, 2025
	---------- (Rupees) ----------	
Cash and bank balances - gross	679,209,248	604,579,710
Less: Running musharika	-	(150,000,000)
Cash and cash equivalents	679,209,248	454,579,710

33.1 Reconciliation of movements of liabilities to cash flows arising from financing activities

	Balances at June 30, 2026			
	Term finance arrangements	Redeemable capital	Unclaimed profit distribution	Total
	(Rupees)			
Opening balance as at July 1, 2025	930,372,294	5,682,548,521	79,892,967	6,692,813,782
Dividend declared	-	-	113,458,825	113,458,825
	-	-	113,458,825	113,458,825
Proceeds from term finance	400,000,000	-	-	400,000,000
Repayment of term finance	(389,724,454)	-	-	(389,724,454)
Proceeds from issuance of redeemable capital	-	9,208,282,576	-	9,208,282,576
Repayment of redeemable capital	-	(9,500,171,097)	-	(9,500,171,097)
Accrued Profit	11,487,428	49,327,424	-	60,814,852
Dividend paid	-	-	(108,899,677)	(108,899,677)
	21,762,974	(242,561,097)	(108,899,677)	(329,697,800)
Closing balance as at June 30, 2026	952,135,268	5,439,987,424	84,452,115	6,476,574,807

	Balances at June 30, 2025			
	Term finance arrangements	Redeemable capital	Unclaimed profit distribution	Total
	(Rupees)			
Opening balance as at July 1, 2024	1,289,275,349	4,287,535,000	57,602,615	5,577,033,715
Dividend declared	-	-	90,767,060	90,767,060
	-	-	-	-
Proceeds from term finance	906,778,716	-	-	906,778,716
Repayment of term finance	(1,289,275,349)	-	-	(1,289,275,349)
Proceeds from issuance of redeemable capital	-	5,633,455,000	-	5,633,455,000
Repayment of redeemable capital	-	(4,287,535,000)	-	(4,287,535,000)
Receivable from former employee	-		19,817,784	19,817,784
Accrued profit	23,593,578	49,093,521	-	72,687,099
Dividend paid	-	-	(88,294,492)	(88,294,492)
	(358,903,055)	1,395,013,521	(68,476,708)	967,633,758
Closing balance as at June 30, 2025	930,372,294	5,682,548,521	79,892,967	6,635,434,533

34 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.

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).

There were no transfers between levels 1 and 2 during the year.

34.1 The table below analyses financial instruments measured at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

	As at June 30, 2026							
	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								
Short term investments	41,703	-	-	41,703	41,703	-	-	**41,703**
	41,703	-	-	41,703	41,703	-	-	**41,703**
Financial assets not measured at fair value								
Diminishing musharika*	-	-	7,132,460,880	7,132,460,880	-	-	-	-
Cash and bank balances*	-	-	679,116,800	679,116,800	-	-	-	-
Advances, deposits and other receivables*	-	-	10,516,979	10,516,979	-	-	-	-
Ijarah rentals receivable*	-	-	7,822,791	7,822,791	-	-	-	-
	-	-	7,829,917,450	7,829,917,450	-	-	-	-
Total	41,703	-	7,829,917,450	7,829,959,153	41,703	-	-	**41,703**

	As at June 30, 2026							
	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 liabilities not measured at fair value								
Redeemable capital*	-	-	5,439,987,424	5,439,987,424	-	-	-	-
Term finance arrangements*	-	-	952,135,268	952,135,268	-	-	-	-
Security deposits*	-	-	134,281,200	134,281,200	-	-	-	-
Creditors, accrued and other liabilities*	-	-	249,433,744	249,433,744	-	-	-	-
Running musharika*	-	-	1,102,905	1,102,905	-	-	-	-
Unclaimed profit distribution*	-	-	84,452,115	84,452,115	-	-	-	-
Total	-	-	6,861,392,656	6,861,392,656	-	-	-	-

	As at June 30, 2025							
	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								
Short term investments	159,735,406	-	-	159,735,406	159,735,406	-	-	159,735,406
	159,735,406	-	-	159,735,406	159,735,406	-	-	159,735,406
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 musharika *	-	-	6,810,157,726	6,810,157,726	-	-	-	-
Net investment in Ijarah finance*	-	-	-	-	-	-	-	-
	-	-	7,587,120,960	7,587,120,960	-	-	-	-
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								
Redeemable capital*	-	-	5,633,455,000	5,633,455,000	-	-	-	-
Term finance arrangements*	-	-	906,778,716	906,778,716	-	-	-	-
Security deposits*	-	-	278,574,576	278,574,576	-	-	-	-
Creditors, accrued and other liabilities*	-	-	296,715,793	296,715,793	-	-	-	-
Running musharika*	-	-	150,000,000	150,000,000	-	-	-	-
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.

34.2 Valuation techniques used in determination of fair values:

Item	Valuation approach	Input used
Mutual Funds	Fair values of investments in units of mutual funds are determined based on redemption prices disclosed at MUFAP as at the close of the business days.	- Net Assets Value as per MUFAP

34.3 There are no significant changes in business or economic circumstances that affect the FV of the entity's financial assets and financial liabilities whether those assets or liabilities are recognized at FV or amortised cost.

35 CAPITAL RISK MANAGEMENT

The Modaraba's prime objective when managing capital is to safeguard its ability to continue as a going concern in order to provide adequate returns for certificate holders and benefits for other stakeholders and to maintain an optimal capital structure so as to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Modaraba may adjust the amount of profits / distributions paid to certificate holders, issue new certificates or sell assets to reduce debt.

Consistent with others in the industry, the Modaraba monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total Certificates of Musharika, Musharika Finance and borrowings less cash and bank balances. Total capital is calculated as equity as shown in the statement of financial position plus net debt.

	Note	June 30, 2026	June 30, 2025
		---------- (Rupees) ----------	
Total borrowings		6,392,122,692	6,690,233,716
Less: Cash and bank balances		(679,116,800)	(604,579,710)
Net debt		5,713,005,892	6,085,654,006
Total equity		1,374,148,688	1,326,902,484
Total capital		7,087,154,580	7,412,556,490
Gearing ratio		80.61%	82.10%

As required under the Modaraba Regulations, 2021, every Modaraba issuing Certificate of Musharika shall maintain a capital adequacy ratio of 8% for the first two years after the amendment coming into force and thereafter at the rate of 10%. The Modaraba has maintained and complied with the minimum capital adequacy ratio and minimum equity requirement during the current year.

	Note	June 30, 2026	June 30, 2025
		---------- (Rupees) ----------	
35.1 Capital adequacy			
Minimum Equity Requirements (MER)		500,000,000	500,000,000
Modaraba's Equity		1,374,148,688	1,326,902,484
Minimum Capital Requirements (MCR)			
Total eligible capital		1,306,803,590	1,267,699,497
Risk Weighted Assets (RWA)		7,631,401,450	7,612,531,550
Total capital / RWA		17%	17%
Minimum capital requirement		10%	10%
Core capital			
Paid-up capital		453,835,300	453,835,300
Balance in certificate premium account		55,384,700	55,384,700
Statutory reserve		523,503,337	523,503,337
Un-appropriated Profit		341,425,351	294,179,147
Total		1,374,148,688	1,326,902,484
Less:			
Intangible assets		283,261	1,825,173
Deferred tax assets		67,061,837	57,377,814
Sub total		67,345,098	59,202,987
Eligible core capital		1,306,803,590	1,267,699,497

36 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 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 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 for the Modaraba's assets, liabilities and performance is prepared on a consistent basis with the measurement and recognition principles of the accounting and reporting standards as applicable in Pakistan.

The Modaraba is domiciled in Pakistan. All of the Modaraba's income is from investments in entities incorporated in Pakistan.

The Modaraba also has a diversified certificate holder population. As at June 30, 2026, 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.

37 RELATED PARTY TRANSACTIONS

37.1 Details of related parties of the Modaraba

Name of related party		Basis of relationship
OLP Financial Services Pakistan Limited	Holding Company of Management Company	Common Management and Control
OLP Services Pakistan (Private) Limited	Associate	Management Company of the Modaraba
OLP Modaraba - Staff Provident Fund	Associate	Common Management
OLP Modaraba - Staff defined contribution scheme	Associate	Common Management
Layton Rehmatullah Benevolent Trust Free Eye Hospital	Associate	Trustee of Associate Undertaking

37.2 Transactions with related parties other than those which have been specifically disclosed elsewhere in these financial statements and remuneration and benefits to key management personnel (which are employed by the management company) under the terms of their employment are as follows:

Name	Nature of relationship	Basis of relationship	Nature of transaction	June 30, 2026	June 30, 2025
				----------(Rupees)----------	
OLP Financial Services Pakistan Limited	Holding Company of the Management Company	100% Holding in the Management Company, 10% Holding in the Modaraba	Dividend	11,345,883	9,076,706
			Allocated cost to the Modaraba for Islamabad Office	786,030	785,329
			Reimbursement of Cost	3,600,000	-
OLP Services Pakistan (Private) Limited	Management Company	10% Holding in the Modaraba	Management Company's remuneration	28,002,920	29,103,352
			Dividend	11,345,883	9,076,706
			Rent expense	-	5,467,280
			Profit rate expense on lease liability	3,570,862	3,070,542
			Depreciation expense	10,419,108	5,471,608
			Rent paid	3,880,000	11,287,272
The Patients' Behbud Society for AKU	Associated Undertaking	Common directorship	Donation paid by the Modaraba	1,000,000	2,000,000
Layton Rahmatulla Benevolent Trust Hospital	Associated Undertaking	Trustee of associate undertaking	Donation paid by the Modaraba	1,000,000	2,000,000
OLP Modaraba - Staff Provident Fund	Retirement benefit fund	Employees benefit fund	Contribution made by the Modaraba	6,894,436	6,852,148
OLP Modaraba - Staff defined contribution scheme	Retirement benefit fund	Employees benefit fund	Contribution made by the Modaraba	5,742,699	5,695,731
			Refund received by the Modaraba	1,415,717	1,921,331
Mr. Shaheen Amin	Chairman of the Board of Directors of the Management Company	Chairman of the Board of Directors of the Management Company	Dividend paid	250,000	200,000

Name	Nature of relationship	Basis of relationship	Nature of transaction	June 30, 2026	June 30, 2025
				----------(Rupees)----------	
Mr. Nadeem D Khan	Director of the Management Company	Director of the Management Company	Dividend paid	15,123	12,098
Key management personnel	Employees	Members of the Management Committee	Salaries and benefits	55,897,466	51,014,165
			Contributions to the staff provident fund	2,206,774	2,007,070
			Contributions to the staff defined contribution scheme	1,838,239	1,671,886
			Refund received by the Modaraba	-	-
			Income earned on diminishing musharika finances	1,897,343	2,764,745
			Deposit against Certificates of Musharika	45,550,000	31,150,000
			Redemption of Certificates of Musharika	45,550,000	39,750,000
			Financial charges on redeemable capital	2,060,439	5,802,477
			Number of persons as at June 30, 2026	6	7

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. The balances with related parties have been disclosed in the respective notes.

37.3 Details of the diminishing musharika finances given and receivables (as disclosed under current assets) from key management personnel are as follows:

	Balances at June 30, 2026			
	Diminishing musharika finance (1)	Accrued profit / profit receivable from diminishing musharika finance (2)	Total (1+2)	Maximum aggregate balance during the year
Name of key management personnel	---------- (Rupees) ----------			
Muhammad Siddique	4,513,311	46,746	4,560,057	4,639,326
Salwat Ahmad	3,117,129	9,005	3,126,134	3,330,697
	7,630,440	55,750	7,686,190	

	Balances at June 30, 2025			
	Diminishing musharika finance (1)	Accrued profit / profit receivable from diminishing musharika finance (2)	Total (1+2)	Maximum aggregate balance during the year
Name of key management personnel	---------- (Rupees) ----------			
Nadir Shah	-	-	-	4,683,908
Salwat Ahmad	4,695,034	14,729	4,709,763	12,599,990
Muhammad Azhar Waseem	1,217,305	7,996	1,225,301	1,059,182
	5,912,339	22,725	5,935,064	

37.3.1 Under diminishing musharika arrangements, housing, motor vehicle and personal finances are provided to key management personnel. Tenure of maximum twenty years are offered for housing finance whereas for motor vehicles and personal finances the tenure offered is five years under the approved human resource policies. The limit for housing finance is lower of eighty-five multiples of monthly basic salary or Rs. 20 million whereas for personal finance the same is granted as lower of three multiples of monthly basic salaries or Rs. 0.5 million.

Profit receivable represents profit on diminishing musharika finances accrued from the respective last paid installments till the statement of financial position date and is disclosed under note 7 to these financial statements under current assets.

38 SHARIAH DISCLOSURE UNDER CLAUSE VII OF PART I OF SCHEDULE IV OF COMPANIES ACT, 2017

			Note	June 30, 2026	June 30, 2025
	Disclosures in relation to the Statement of Financial Position - Liability Side:			---------- (Rupees) ----------	
(i)	Financing (long-term, short-term, or lease financing) obtained as per Islamic				
	Redeemable capital	Shariah Compliant	20	5,439,987,424	5,682,548,521
	Term finance arrangements	Shariah Compliant	15	952,135,268	930,372,294
(ii)	Interest or Markup accrued on any conventional loan or advance;			-	-
	Disclosures in relation to the Statement of Financial Position - Asset Side:				
(iii)	Long-term and short-term Shariah Compliant Investments:				
	Short term investments	Shariah Compliant	12	41,703	159,735,406
	Long-term and short-term Shariah Compliant Advances:				
	Diminishing musharika	Shariah Compliant	5.5	7,132,460,880	6,869,496,513
	Ijarah Assets	Shariah Compliant	6	324,023,149	736,741,555
(iv)	Shariah-Compliant bank deposits, bank balances, and TDRs;				
	Cash and Bank Balances	Shariah Compliant	13	679,116,800	604,579,710
	Disclosures in relation to the Statement of Comprehensive Income				
(v)	Revenue earned from a Shariah-compliant business segment;				
	Income on diminishing musharika arrangements	Shariah Compliant	p&l	1,093,861,885	1,171,413,672
	Ijarah rentals earned	Shariah Compliant	p&l	337,363,707	621,304,803
(vi)	Break-up of late payments or liquidated damages;				
	Late payment charges and others transferred to charity payable account	Shariah Compliant		1,111,139	3,111,527
(vii)	Gain or loss or dividend earned on shariah compliant investments or share of profit from Shariah-compliant associates;				
	Dividend income	Shariah Compliant		1,108,422	26,412,073
(viii)	Profit earned from Shariah-compliant bank deposits, bank balances, or TDRs;				
	Profit on bank balances	Shariah Compliant		58,772,685	70,765,232
(ix)	Exchange gain earned from actual currency			-	-
(x)	Exchange gains earned using conventional derivative financial instruments;			-	-
(xi)	Profit paid on Islamic modes of financing;				
	Financial and other charges	Shariah Compliant	22	(700,000,276)	(955,357,614)
(xii)	Total Interest earned on any conventional loan or advance;			-	-
(xiii)	Source and detailed breakup of other income, including breakup of other or miscellaneous portions of other income into Shariah-compliant and non compliant income; and				
	Gain on disposal of ijarah assets	Shariah Compliant		11,602,245	55,130,794
	Miscellaneous income	Shariah Compliant		25,642,266	35,066,160

(xiv) Relationship with Shariah-compliant financial institutions, including banks, takaful operators and their windows, etc.

Name of the Modaraba's shariah compliant financial institutions	Arrangement
Al-Baraka Bank Limited	Bank deposits and borrowings
Allied Bank Limited - Aitebar	Bank deposits and borrowings
Pakistan Mortgage Refinance Company Limited	Borrowings
Meezan Bank Limited	Bank deposits and borrowings
Habib Metropolitan Bank Limited - Sirat	Bank deposits and borrowings
MCB Islamic Bank Limited	Bank deposits and borrowings
Standard Chartered Bank - Sadiq	Bank deposits
United Bank Limited - Ameen	Bank deposits
Dubai Islamic Bank	Bank deposits
Bank Alfalah Limited	Bank deposits
Habib Bank Limited Islamic	Bank deposits
Bank AL Habib Limited	Bank deposits
Askari Bank Limited	Bank deposits

39 NON-ADJUSTING EVENT AFTER THE REPORTING PERIOD

The Board of Directors of the Management Company in their meeting held on September 15, 2026 approved a cash distribution of Rs. 2.5 (June 30, 2025: Rs. 2.50) per certificate. The financial statements of the Modaraba for the year ended June 30, 2026 do not include the effect of this distribution which will be accounted for in the financial statements of the Modaraba for the year ending June 30, 2027.

40 GENERAL

Figures have been rounded off to the nearest rupee unless otherwise stated.

41 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on September 15, 2026 by the Board of Directors of the Management Company.

SD	SD	SD	SD
Chief Executive	Director	Director	Chief Financial Officer



OLP

OLP Modaraba

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

Lahore Office:

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

Islamabad Office:

Ground Floor, Phase 1,
State Life Building, No. 5,
Nazimuddin Road, Blue Area,
Islamabad.
Phone: (051) 2824232