

Modaraba
Al-Mali
An Islamic Financial Institution

مُضْتَبِعِي
المالِي
اسلامی مالیاتی ادارہ

Modaraba Al-Mali

**Managed by:
AssetPlex Limited**

**For the quarter ended
September 2022**

www.modarabaalmali.com

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CORPORATE INFORMATION

| | | |
|-----------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|
| Board of Directors | Mr. Usman Hassan | Chairman |
| | Mr. Siddique-ur Rehman Khurram | Director/ Chief Executive Officer |
| | Ms. Aasiya Riaz | Director |
| | Mr. Hafiz Mudassar Alam | Director |
| | Mr. Muhammad Usman | Director |
| | Mr. Hussain Ahmed Ozgen | Director |
| Audit Committee | Mr. Hussain Ahmed Ozgen | Chairman |
| | Mr. Muhammad Usman | Member |
| | Mr. Usman Hassan | Member |
| | Mr. Mansoor Ahmed | Secretary |
| HR & Remuneration Committee | Mr. Hussain Ahmed Ozgen | Chairman |
| | Mr. Siddique Ur Rehman Khurram | Member |
| | Mr. Muhammad Usman | Member |
| | Mr. Rashid Matin Khan | Secretary |
| Risk Committee | Mr. Usman Hassan | Chairman |
| | Mr. Hussain Ahmed Ozgen | Member |
| | Mr. Siddique Ur Rehman Khurram | Member |
| | Mr. Rashid Matin Khan | Secretary |
| Nomination Committee | Mr. Usman Hassan | Chairman |
| | Mr. Hafiz Mudassar Alam | Member |
| | Mr. Siddique Ur Rehman Khurram | Member |
| | Mr. Rashid Matin Khan | Secretary |
| Management Team | Mr. Siddique Ur Rehman Khurram | Chief Executive Officer |
| | Mr. Adeel Rehman | CFO/Company Secretary |
| | Mr. Rashid Matin Khan | Chief Operating Officer |
| Auditor | KPMG Taseer Hadi & Co. Chartered Accountants | |
| Legal Advisor & Consultant to the Merger | Bawaney & Partners Mohsin Tayebaly & Co.-Advocate & Legal Consultants | |
| Bankers & Financers | BankIslami Pakistan Limited Bank Al-Falah Limited Faysal Bank Limited Meezan Bank Limited JS Bank Limited | |
| Registrar & Share Registrartion Office | F.D Registrar Services (Pvt.) Limited Saima Trade Tower A 17th Floor I.I Chaundrigar Road Karachi | |
| Registered Office | Office # 508 LSE Plaza Khayaban-e-Aiwan-e-Iqbal Lahore E-mail: info@modarabaalimali.com URL: http:// www.modarabaalmali.com | |

DIRECTORS' REPORT

On behalf of the Board of Directors of Assetplex Limited, we are pleased to present first quarterly report of Modaraba Al-Mali together with un-audited accounts for 1st quarter of Financial 2022-2023.

Modaraba is multipurpose for indefinite period can revamp and reposition itself into emerging fields and can create value to the certificate-holders.

Performance Review:

During the quarter under review your Modaraba has earned a net profit after tax of Rs 57.26 M as compared to Rs. 10.30 M during the corresponding period last year. Major components of revenue were profit from gain on disposal of offices at Karachi. Administrative and operative expenses for the quarter were Rs 23.45 M as compared to Rs 8.01 M in the corresponding quarter last year.

Modaraba was engaged in the business of Leasing/Ijarah, Murabaha, Musharaka Financing and operations of gas stations. Management of the Modaraba has decided to change the business of the Modaraba as follows:

Discontinuation of Existing Businesses:

1. Discontinuance of lending business (in Ijarah, Murabah, Musharak and any other mode of Financing). Efforts will be made for the recovery of the outstanding balances;
2. Disposal of property/business of Gas Station;
3. Disposal of leasehold offices/premises in Karachi;

Modaraba is re-focusing and repositioning into New Businesses:

1. Launching IPO Support Fund and Revival of Shell Listed Companies;
2. Re-focusing the business of Modaraba to Venture Capital;
3. Underwriting and Business Revival Activities;
4. Strategic Equity Investments in Financial Services entity;

These investment will either be taken directly in the Modaraba or as a strategic equity investments in other legal entities, provided they are Shariah compliant. Modaraba shall also seek collaboration and technical partners, if required, to implement its repositioning/diversification stratagem.

Modaraba is multipurpose for indefinite period is revamping and repositioning itself into emerging fields and will create value to the certificate-holders. Management is determined to cope with challenges and is working on the strategy to revive the Modaraba in diversified areas.

Acknowledgement

The Board would like to take this opportunity to express gratitude and thanks to our valuable customers for their patronage and support, the Securities and Exchange Commission of Pakistan, the Pakistan Exchange Limited and Modaraba Association of Pakistan for their continuous support and guidance.

Special thanks to our certificate holders for the trust and confidence reposed in us.

Siddique ur Rehman Khurram

Chief Executive Director

Dated: October 31, 2022

Lahore

Modaraba Al-Mali

CONDENSED INTERIM BALANCE SHEET AS AT SEPTEMBER 30, 2022

| | Note | (Un-audited) September 30, 2022 | (Audited) June 30, 2022 |
|---------------------------------------------------------------|------|---------------------------------------|-------------------------------|
| | | Rupees | |
| ASSETS | | | |
| Non-current assets | | | |
| Property and equipment | 8 | 2,548,876 | 2,384,468 |
| Long-term investments | 9 | 1,248,699,550 | 922,299,756 |
| Long-term portion of Diminishing musharaka | | 340,085 | 117,322 |
| | | <u>1,251,588,511</u> | <u>924,801,545</u> |
| Current assets | | | |
| Tax refunds due from government | | 19,193,264 | 18,540,284 |
| Current portion of Diminishing musharaka | | 118,406 | 455,176 |
| Ijarah finance | 6 | 3,755,007 | 3,755,007 |
| Advances, deposits, prepayments, other assets and receivables | 7 | 6,585,657 | 249,744,610 |
| Investments | | 13,126,855 | 13,124,176 |
| Cash and bank balances | 5 | 5,552,028 | 19,778,001 |
| Asset held for sale | | - | 305,397,254 |
| | | <u>48,331,217</u> | <u>402,013,254</u> |
| Total assets | | <u>1,299,919,728</u> | <u>1,326,814,799</u> |
| Non-current liabilities | | | |
| Deferred tax liabilities | | 104,593 | 104,593 |
| | | <u>104,593</u> | <u>104,593</u> |
| LIABILITIES | | | |
| Current liabilities | | | |
| Musharaka Finance | | - | 60,000,000 |
| Creditors, accrued and other liabilities | 10 | 138,654,078 | 22,726,605 |
| Security deposits | | 4,847,138 | 3,797,138 |
| Unclaimed profit distribution | | 10,358,639 | 10,358,639 |
| | | <u>153,859,855</u> | <u>96,882,382</u> |
| Liabilities directly associated with the asset held for sale | | 27,671,181 | 102,272,770 |
| Total liabilities | | <u>181,635,629</u> | <u>199,259,745</u> |
| NET ASSETS | | <u>1,118,284,099</u> | <u>1,127,555,055</u> |
| REPRESENTED BY: CAPITAL AND RESERVES | | | |
| Authorised certificate capital | | | |
| 30,000,000 Modaraba certificates of Rs.10 each | | 800,000,000 | 800,000,000 |
| Issued, subscribed and paid-up certificate capital | | 794,239,450 | 794,239,450 |
| Capital reserves | | 333,615,736 | 400,147,966 |
| Revenue reserve | | (9,571,087) | (66,832,361) |
| | | <u>1,118,284,099</u> | <u>1,127,555,055</u> |

CONTINGENCIES AND COMMITMENTS

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The annexed notes form an integral part of this condensed interim financial information.

For AssetPlex Limited
(Modaraba Management Company)

Chief Financial Officer

Chief Executive Officer

Director

Director

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2022

| | | September 30, 2022 | September 30, 2021 |
|-------------------------------------------------------------------------------------------------------------------------------------------------|----|--------------------------|--------------------------|
| Note | | -----Rupees----- | |
| Income from operation of a fuel station | 12 | - | 2,410,941 |
| Income on deposits with Islamic bank | | 911,870 | 127,962 |
| Income on diminishing musharaka transactions | | 4,236 | 63,018 |
| Gain on disposal of Investment property | | 63,484,087 | - |
| Rental Income | | 350,000 | 2,113,554 |
| | | <u>64,750,193</u> | <u>4,715,475</u> |
| | | | |
| Expenses on fuel station operations | 12 | - | (1,581,089) |
| | | <u>64,750,193</u> | <u>3,134,386</u> |
| Unrealised (diminution) / appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss-net | | (12,910,399) | 17,718,008 |
| Other Income | | 37,577,097 | - |
| Administrative and operating expenses | 13 | (23,455,699) | (8,016,402) |
| | | <u>65,961,192</u> | <u>12,835,992</u> |
| | | | |
| Modaraba Management Company's remuneration | | - | - |
| Provision for services sales tax on management company's remuneration | | (13,142) | (1,797) |
| Provision for Workers' Welfare Fund | 14 | (1,840,619) | (251,624) |
| Musharak Finance Cost | | (2,404,081) | - |
| Profit for the quarter before taxation | | <u>61,703,350</u> | <u>12,582,571</u> |
| | | | |
| Taxation-Current | 15 | (4,442,076) | (2,279,659) |
| Profit for the quarter after taxation | | <u>57,261,274</u> | <u>10,302,912</u> |
| | | | |
| Other comprehensive income for the period | | - | - |
| | | | |
| Total comprehensive income for the period | | <u><u>57,261,274</u></u> | <u><u>10,302,912</u></u> |
| | | | |
| Earnings per certificate - basic & diluted | | <u><u>0.777</u></u> | <u><u>0.683</u></u> |

The annexed notes form an integral part of this condensed interim financial information.

For AssetPlex Limited
(Modaraba Management Company)

Chief Financial Officer

Chief Executive Officer

Director

Director

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2022

| | September 30, 2022 | September 30, 2021 |
|---------------------------------------------------------------|-----------------------|-----------------------|
| Note | -----Rupees----- | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit for the quarter before taxation | 61,703,350 | 12,582,571 |
| Adjustments for non-cash charges and other items: | | |
| Depreciation on fixed assets in own use | 51,435 | 123,142 |
| Gain on purchase of investment | (5,068,653) | - |
| Gain on disposal of own assets | (6,559) | - |
| Gain on disposal of investment property | (63,484,087) | - |
| | <u>(68,507,864)</u> | <u>123,142</u> |
| | (6,804,514) | 12,705,713 |
| (Increase) / decrease in assets | | |
| Receivable against ijarah rentals and maintenance service | - | - |
| Advances, deposits, prepayments and other receivable | 243,158,953 | 21,495,698 |
| Diminshing Musharaka | 114,007 | 1,261,116 |
| Inventory | - | 523,288 |
| | <u>243,272,960</u> | <u>23,280,102</u> |
| Increase / (decrease) in current liabilities | | |
| Creditors, accrued and other liabilities | 115,927,473 | 464,503 |
| Security deposits | 1,050,000 | 15,000 |
| | <u>116,977,473</u> | <u>479,503</u> |
| Cash generated from operations | <u>353,445,919</u> | <u>36,465,318</u> |
| Income taxes paid | (5,052,980) | (634,154) |
| Net cash (used) / generated from operating activities | <u>348,392,939</u> | <u>35,831,164</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| investment purchased during the year | (326,402,473) | (58,946,612) |
| Proceed from Disposal of Investment property | (96,616,000) | |
| Proceed from Disposal of fixed assets | 27,924 | |
| repayment of Musharka | (60,000,000) | |
| Proceed from disposal of investment property | 120,371,637 | |
| Net cash generated from investing activities | <u>(362,618,912)</u> | <u>(58,946,612)</u> |
| Net (decrease) / increase in cash and cash equivalents | <u>(14,225,973)</u> | <u>(23,115,448)</u> |
| Cash and cash equivalents at the beginning of the period | 19,778,001 | 53,350,982 |
| Cash and cash equivalents at the end of the period | 5 5,552,028 | 30,235,534 |

The annexed notes form an integral part of this condensed interim financial information.

For AssetPlex Limited
(Modaraba Management Company)

Chief Financial Officer

Chief Executive Officer

Director

Director

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2022

| | Capital reserves | | | | Revenue reserves | | | |
|----------------------------------------------------------------------------------|-----------------------------|----------------------------------|-------------------|-----------------------------------------------|--------------------|---------------------|--------------------|----------------------|
| | Paid-up certificate capital | Premium on issue of certificates | Statutory reserve | Surplus on revaluation of investment property | Fair Value reserve | Accumulated Losses | Total Reserves | Total equity |
| Rupees | | | | | | | | |
| Balance as at July 01, 2021 | 184,239,450 | 511,409 | 73,642,584 | 66,532,230 | - | (55,283,857) | 85,402,366 | 269,641,816 |
| Comprehensive Income | | | | | | | | |
| Right issue | 610,000,000 | | | | | | | 610,000,000 |
| Expense incurred on issuance right certificate | | (511,409) | | | | (35,136,739) | (35,648,148) | (35,648,148) |
| Final cash dividend of Re. 0.37 per certificate for the year ended June 30, 2022 | - | - | - | | | (6,816,860) | (6,816,860) | (6,816,860) |
| Fair value gain on investments measured through FVOCI | | | | | 252,294,840 | - | 252,294,840 | 252,294,840 |
| Profit for the period ended June 30, 2022 | | | | | | 38,391,560 | 38,391,560 | 38,391,560 |
| Other comprehensive (loss) for the year for the year ended June 30, 2022 | - | - | - | - | - | (308,153) | (308,153) | (308,153) |
| Transfer to statutory reserve | - | - | 7,678,312 | | | (7,678,312) | - | - |
| | 610,000,000 | (511,409) | 7,678,312 | - | 252,294,840 | (11,548,504) | 247,913,239 | 857,913,239 |
| Balance as at June 30, 2022 | 794,239,450 | - | 81,320,896 | 66,532,230 | 252,294,840 | (66,832,361) | 333,315,605 | 1,127,555,055 |
| Balance as at July 01, 2021 | 794,239,450 | - | 81,320,896 | 66,532,230 | 252,294,840 | (66,832,361) | 333,315,605 | 1,127,555,055 |
| Comprehensive Income | | | | | | | | |
| Profit for the quarter ended September 30, 2022 | - | - | - | (66,532,230) | - | 57,261,274 | (66,532,230) | (66,532,230) |
| Balance as at September 30, 2022 | 794,239,450 | - | 81,320,896 | - | 252,294,840 | (9,571,087) | 324,044,649 | 1,118,284,099 |

Statutory reserve represents profit set aside to comply with the Prudential Regulations for Modarabas issued by the SECP. These regulations require the Modaraba to transfer not less than 20% and not more than 50% of its after tax profit till such time that reserves equals 100% of the paid up capital. Thereafter, a sum not less than 5% of the after tax profit is to be transferred.

The annexed notes form an integral part of this condensed interim financial information.

**For AssetPlex Limited
(Modaraba Management Company)**

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2022

1 LEGAL STATUS AND NATURE OF BUSINESS

Modaraba Al-Mali (the "Modaraba") is a multipurpose and perpetual Modaraba floated in Pakistan on July 8, 1987 under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 ("Modaraba Ordinance, 1980"), and Modaraba Companies and Modaraba Rules, 1981 ("Modaraba Rules, 1981"), and is being managed by AssetPlex Modaraba Management Limited (the "Management Company"), a company registered under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The name of the Modaraba Management Company had been changed to Assetplex Modaraba Management Limited with effect from August 10, 2021. The Modaraba is listed on the Pakistan Stock Exchange Limited. The registered office of the Modaraba is relocated to 505, 5th Floor, LSE Plaza, Kashmir-Edgerton Road, Lahore, in the province of Punjab (previously situated at 10th floor, Progressive square, Shahrah-e-Faisal, Karachi, in the province of Sindh).

BankIslami Pakistan Limited has disposed off its ownership stake in the management company which has now been acquired by a new group. Upon transfer to the new management, Modaraba's focus has been changed from conventional Islamic financing modaraba to undertaking Islamic venture capital, private equity and corporate & financial restructuring / rehabilitation transactions of potentially viable companies through resource mobilization.

Pakistan Credit Rating Agency (PACRA) has maintained long term entity rating of BBB+ and short term rating of A2, of the Modaraba.

2 BASIS OF PREPARATION

2.1 Statement of compliance

2.1.1 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:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017;
- Requirements of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and Modaraba Companies and Modaraba Rules, 1981;
- Provisions of and directives issued by the Securities and Exchange Commission of Pakistan (SECP) under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980.

Wherever the requirements of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, IFAS, Modaraba Companies and Modaraba Rules, 1981 and directives issued by the SECP differ from the Companies Act and IFRS Standards, the requirements of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, IFASs, Modaraba Companies and Modaraba Rules, 1981, or the provisions of and directives issued by the SECP under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 have been followed.

2.1.2 The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of the International Accounting Standard 34: ' Interim Financial Reporting'. This condensed interim financial information does not include all the information required for a full set of financial statements and should be read in conjunction with the annual published financial statements of the Modaraba for the year ended June 30, 2022.

2.2 Functional and presentation currency

This condensed interim financial information has been presented in Pakistani Rupees, which is the functional and presentational currency of the Modaraba.

2.3 Applicability of International Accounting Standard (IAS) 17 'Leases' and Islamic Financial Accounting Standard (IFAS) 2 'Ijarah'

2.3.1 SECP vide its circular No. 10 of 2004 dated February 13, 2004 had deferred, till further orders, the applicability of International Accounting Standard (IAS) 17 "Leases" on modarabas with effect from July 1, 2003 and advised the management companies of modarabas that they may continue to prepare the financial statements of the modarabas without applying the requirements of IAS 17 to the modarabas. Currently, lease transactions (both for assets given and assets obtained) are being accounted for in accordance with the requirements of IFAS 2 as explained in note 2.3.2.

2.3.2 Islamic Financial Accounting Standard (IFAS) 2 'Ijarah' issued by the Institute of Chartered Accountants of Pakistan was adopted by the SECP vide SRO 431(1)/ 2007 dated May 5, 2007. Under the above IFAS 2, the Ijarah transactions are accounted for in the following manner:

- Muj`ir (lessor) presents assets subject to Ijarah in their balance sheet according to the nature of the asset, distinguished from the assets in own use.
- Costs, including depreciation on the assets given on Ijarah, incurred in earning the Ijarah income are recognised as expense.
- 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.

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 leasing transactions executed before July 01, 2008 as finance leases and has treated the leasing transactions executed on or after July 01, 2008 in accordance with the requirements of IFAS 2.

3 CRITICAL ACCOUNTING POLICIES, ESTIMATES AND JUDGMENTS

3.1 The accounting policies adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the annual published financial statements of the Modaraba for the year ended June 30, 2022.

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

There are certain new and amended standards, interpretations and amendments that are mandatory for the Modaraba's accounting periods beginning on or after June 1, 2021 but are considered not to be relevant or do not have any significant effect on the Modaraba's operations and are therefore not detailed in this condensed interim financial information.

3.3 The preparation of this condensed interim financial information requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

3.4 The significant judgments made by the management in applying the Modaraba's accounting policies and key sources of estimation uncertainty were the same as those that were applied to the annual published financial statements for the year ended June 30, 2022.

4 RISK MANAGEMENT POLICIES

The financial risk management objectives and policies are consistent with those disclosed in the annual published financial statements of the Modaraba for the year ended June 30, 2022.

| | | (Un-audited) September 30, 2022 | (Audited) June 30, 2022 |
|--------------------------------------|-------------|---------------------------------------|-------------------------------|
| 5 CASH AND BANK BALANCES | Note | -----Rupees----- | |
| Balances with banks in: | | | |
| - profit and loss sharing accounts | 5.1 | 1,475,928 | 15,702,098 |
| - current accounts | | 4,071,188 | 4,070,991 |
| | | 5,547,116 | 19,773,089 |
| Balances with State Bank of Pakistan | | 4,912 | 4,912 |
| | | 5,552,028 | 19,778,001 |

5.1 These accounts carry profit at rates ranging from 1.95% to 8.68% (June 30, 2022: 1.95% to 8.68%) per annum.

5.2 These accounts carry profit at rates ranging from 2.74% to 3.30% (June 30, 2020: 2.74% to 6.21%) per annum.

- 5.3 These represent amount placed with BankIslami Pakistan Limited, holding company of the Modaraba Management Company under Islami Amadni Certificates amounting to Rs. 60 million (June 30,2020:Rs.45 million. These certificates will mature on October 9, 2020. The profit on these certificates is 6.50% (June 30,2020: 7.50%)per annum.

| | (Un-audited) | (Audited) |
|---------------------------------------------------------|----------------------|---------------------|
| | September 30, | June 30, |
| | 2022 | 2022 |
| 6 IJARAH FINANCE | Note | Rupees |
| Ijarah contracts commencing up to June 30, 2008 | | |
| - accounted for as finance leases | | |
| Minimum lease payments due | 40,480,939 | 40,480,939 |
| Residual value of leased assets | 3,755,007 | 3,755,007 |
| Total receivable | <u>44,235,946</u> | <u>44,235,946</u> |
| Suspended lease income | (7,491,364) | (7,491,364) |
| Provision for Impairment against potential lease losses | 6.1 (32,989,575) | (32,989,575) |
| | <u>(40,480,939)</u> | <u>(40,480,939)</u> |
| | <u>3,755,007</u> | <u>3,755,007</u> |

- 6.1 These ijarah finances are fully provided and the remaining amount represents amount of security deposits to be adjusted at the time of final settlement.

| | (Un-audited) | (Audited) |
|------------------------------------------------------------------------|----------------------|--------------------|
| | September 30, | June 30, |
| | 2022 | 2022 |
| 7 ADVANCES, DEPOSITS, PREPAYMENTS, OTHER ASSETS AND RECEIVABLES | Rupees | |
| Considered Good | | |
| Advances | | |
| - to employees against salary | 12,000 | 50,000 |
| - to broker | 60,976 | 60,976 |
| | <u>72,976</u> | <u>110,976</u> |
| Receivable-Corporate entities | | |
| - Metatech Health Limited | - | 73,381,961 |
| - Oil Boy Energy Limited | - | 30,801,007 |
| - Data Textile Mills Limited | 1,537,137 | 172,500 |
| | 1,537,137 | 104,355,468 |
| Advance against purchase of LSE shares | | 106,935,312 |
| Advance against purchase of Metatech shares | | 25,000,000 |
| Dividend receivable | - | 10,724,261 |
| Prepayments | 804,752 | 635,235 |
| Defined benefit plan - staff gratuity | 1,141,614 | 1,141,614 |
| Other deposits | 240,899 | 40,899 |
| Rent Receivable | 135,000 | 135,000 |
| Profit receivable | 89,841 | 420,888 |
| - Others | 2,563,438 | 244,957 |
| | <u>6,585,657</u> | <u>249,744,610</u> |

| | <i>Unaudited</i> <i>September 30,</i> <i>2022</i> | <i>Audited</i> <i>June 30,</i> <i>2022</i> |
|-------------------------------------|---------------------------------------------------------|--------------------------------------------------|
| | -----Rupees----- | |
| 8 PROPERTY AND EQUIPMENT | | |
| Property and equipment - in own use | <u>2,548,876</u> | <u>2,384,468</u> |
| | <u>2,548,876</u> | <u>2,384,468</u> |

8.1 Following additions and disposals, at cost, were made during the period

| | <i>Additions</i> | | <i>Disposals</i> | |
|-------------------------------|---------------------------------------------------------|--------------------------------------------------|---------------------------------------------------------|--------------------------------------------------|
| | <i>Unaudited</i> <i>September 30,</i> <i>2022</i> | <i>Audited</i> <i>June 30,</i> <i>2022</i> | <i>Unaudited</i> <i>September 30,</i> <i>2022</i> | <i>Audited</i> <i>June 30,</i> <i>2022</i> |
| | -----Rupees----- | | | |
| Office premises | - | 2,200,000 | | |
| Lease hold land-Fuel; Station | | | | 63,848,000 |
| Building Fuel Station | - | - | - | 8,399,474 |
| Vehicles | - | - | 42,458 | - |
| Furniture and fixtures | - | - | 1,958,977 | 45,850 |
| Office and computer equipment | <u>269,900</u> | <u>121,000</u> | <u>5,503,967</u> | <u>279,733</u> |
| | <u>269,900</u> | <u>2,321,000</u> | <u>7,505,402</u> | <u>72,573,057</u> |

| | <i>Unaudited</i> <i>September 30,</i> <i>2022</i> | <i>Audited</i> <i>June 30,</i> <i>2022</i> |
|----------------------------------------|---------------------------------------------------------|--------------------------------------------------|
| | -----Rupees----- | |
| 9 LONG TERM INVESTMENTS | | |
| LSE Financial Service Limited-unquoted | 871,597,253 | 640,467,125 |
| PGP Consoritum Limited | 280,000,000 | 281,832,631 |
| MetaTech Health Limited | 74,145,718 | - |
| Oilboy Energy Limited | <u>22,956,582</u> | <u>-</u> |
| | <u>1,248,699,553</u> | <u>922,299,756</u> |

9.1 This represents investment made with the intention of establishing or maintaining a long-term operating relationship in LSE Financial Services Limited an unquoted Company by the Modaraba. The net asset value of the investment per share is Rs. 24.33 which has been calculated by reference to net assets of the LSE Financial Services Limited on the basis of audited financial statements for the year ended 30 June 2021 audited by Kreston Hyder Bhimji & Company Chartered Accountants.

Modaraba Al-Mali

| | <i>Unaudited</i> September 30, 2022 | <i>Audited</i> June 30, 2022 |
|----------------------------------------------------|-------------------------------------------|------------------------------------|
| 10 CREDITORS, ACCRUED AND OTHER LIABILITIES | -----Rupees----- | |
| Management Fee Payable | 9,529,655 | 9,529,655 |
| Accrued liabilities | 5,959,267 | 5,090,552 |
| Payable to provincial government | 1,260,480 | 1,247,338 |
| Profit Payable on musharaka certificate | - | 435,419 |
| Payable to gratuity fund | 231,411 | 231,411 |
| Payable to management company | 99,078,102 | 432,384 |
| Ijarah rental received in advance | 123,246 | 123,246 |
| Charity and donation | 67,419 | 67,022 |
| Others | 7,395,498 | 5,569,578 |
| | 123,645,078 | 22,726,605 |

11 CONTINGENCIES AND COMMITMENTS

The status of contingencies is same as stated in the financial statements of the Modaraba for the year ended June 30, 2022.

| | (Un-audited) Quarter ended | |
|---------------------------------------------------------------|---------------------------------------------|-------------------------------------|
| | September 30, 2022 | September 30, 2021 |
| 12 PROFIT FROM DISCONTINUED OPERATIONS OF FUEL STATION | -----Rupees----- | |
| Income | 13.1 | |
| Sale of fuel | - | 68,571,152 |
| Cost of sales | - | (66,582,211) |
| | | 1,988,941 |
| Rental income | 13.2 | 422,000 |
| | | 2,410,941 |
| Expenses | | |
| Salaries and allowances | - | 733,385 |
| Generator fuel | - | 31,530 |
| Depreciation | - | 105,570 |
| Electricity | - | 92,741 |
| Repairs and maintenance | - | 323,667 |
| Printing and stationery | - | 4,795 |
| Security guards | - | 138,600 |
| Insurance | - | 21,834 |
| Telephone | - | 6,187 |
| Rent, rates & taxes | - | 58,162 |
| Miscellaneous | - | 64,618 |
| | | 1,581,089 |
| Profit before taxation | - | 829,852 |
| Taxation | (4,442,076) | (209,957) |
| Profit after taxation | (4,442,076) | 619,895 |

- 12.1** Income relates to the operation of petrol and diesel filling / service station which was started from October 03, 2010 under a retailer agreement with an oil marketing company (the Company). In accordance with the agreement, the Company has granted the right to the Modaraba to operate the fuel station and deal exclusively in petroleum products of the Company on a predetermined margin.
- 12.2** The amount represents rent earned in respect of the plot of land used for fuel station under a lease deed dated August 13, 2009 with the oil marketing company. Initial term of the rent agreement is for fifteen years. The amount also includes rental income earned from operation of tuck shop and car wash facility.

| | (Un-audited) | |
|-------------------------------------------------|-----------------------|-----------------------|
| | Quarter ended | |
| | September 30, 2022 | September 30, 2021 |
| | -----Rupees----- | |
| 13 ADMINISTRATIVE AND OPERATING EXPENSES | | |
| Salaries, allowances and other benefits | 5,099,298 | 949,087 |
| Rent, rates and taxes | 81,814 | 248,646 |
| Depreciation | 51,435 | 17,572 |
| Fuel and conveyance | 82,704 | 37,730 |
| Repairs and maintenance | 2,822,757 | 96,764 |
| Legal and professional | 8,305,186 | 5,474,150 |
| Travelling | 267,259 | - |
| Electricity | - | 61,512 |
| Telephone | 6,000 | 45,472 |
| Entertainment | 24,441 | 16,589 |
| Insurance | 23,859 | 23,859 |
| Printing and stationery | 149,969 | 131,358 |
| Auditors' remuneration | 706,245 | 216,054 |
| Subscription | 121,399 | 118,240 |
| Registrar services | 95,600 | 161,815 |
| Postage | 33,855 | 33,568 |
| Advertisement | 600,900 | 122,400 |
| Others | 4,982,978 | 261,586 |
| | <u>23,455,699</u> | <u>8,016,402</u> |

14 WORKERS' WELFARE FUND

The Finance Act, 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance) due to which the Modaraba became liable to pay contribution to the Workers' Welfare Fund (WWF) at the rate of 2% on the higher of the profit before taxation as per the accounts or the return of income.

15 TAXATION

15.1 As per the Second Schedule to the Income Tax Ordinance, 2001, the income of a non-trading modaraba is exempt from income tax provided that it distributes 90% of its profits to its certificate holders for the year after making appropriation for statutory reserves. Through the Tax Laws (Second) Amendment Ordinance 2001, the government omitted clause 100 part 1 of the Second Schedule to the Income Tax Ordinance, 2001. As a result of omission of this clause, the tax exemption previously available to the Modaraba upon distribution of 90% of its profits to its certificate holders after making appropriation for statutory reserves is longer available.

16 RELATED PARTY TRANSACTIONS

The related parties comprise of AssetPlex Limited being the Modaraba management company, major certificate holders and their family members, directors of the Modaraba management company and their close family members, key management personnel of the Modaraba and the management company and their close family members, the provident and gratuity funds and entities with common directors or under common management.

The remuneration of key management employees (executives) are determined in accordance with their terms of appointment. Contribution to the provident and gratuity funds are made in accordance with the services rules and actuarial advice respectively. Modaraba management fee payable in accordance with the provision of Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980. Other transactions are in accordance with the agreed terms.

16.1 Details of transactions with related parties during the quarter are as follows:

| | (Un-audited) | |
|-----------------------------------------------------------------------------------|-----------------------|-----------------------|
| | Quarter ended | |
| | September 30, 2022 | September 30, 2021 |
| | -----Rupees----- | |
| BankIslami Pakistan Limited (Ex-Holding company of the management company) | | |
| Profit on Islamic profit and loss sharing account | - | 986,267 |
| Rental income | - | 1,921,413 |
| Other transactions | | |
| Contributions to staff provident fund | 60,312 | 54,430 |
| Contributions to employees gratuity fund | 1,764 | 2,646 |

16.2 Details of balances with related parties as at period/ year end are as follows:

| | <i>Unaudited</i> <i>September 30,</i> <i>2022</i> | <i>Audited</i> <i>June 30,</i> <i>2022</i> |
|--------------------------------------|---------------------------------------------------------|--------------------------------------------------|
| | -----Rupees----- | |
| Dividend payable | - | 866,758 |
| Payable towards | <u>99,078,102</u> | <u>-</u> |
| Management Fee Payable | <u>9,529,655</u> | <u>-</u> |
| Receivable against Retainership Fee | <u>423,616</u> | <u>123,750</u> |
| Service salex tax on management fees | <u>1,260,480</u> | <u>4,587</u> |

17 GENERAL

The figures in this condensed interim financial information have been rounded off to the nearest Rupee.

18 DATE OF AUTHORISATION

This condensed interim financial information was authorised for issue by the Board of Directors of the Modaraba Management Company on October 31,2022.

Chief Financial Officer

Chief Executive Officer

Director

Director

ISLAMABAD

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Jinnah Avenue

LAHORE

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Khayaban-e-Aiwan-e-Iqbal

KARACHI

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