QUARTERLY ACCOUNTS

For the period ended September 30, 2025 (Un-Audited)



Managed By
A R Management Services (Private) Limited



MODARABA INFORMATION

Modaraba Management Company A R Management Services (Private) Ltd.

Directors of Modaraba Company Mr. Naveed Riaz – Chief Executive

Mr. Ameed Riaz

Mr. Omar Mohammad Khan

Mr. Aliuddin Ahmed

Chief Financial Officer Mr. Sheheryar Ali

Audit Committee Mr. Aliuddin Ahmed (Chairman)

Mr. Omar Mohammad Khan (Member)

Human Resource Committee Mr. Aliuddin Ahmed (Chairman)

Mr. Omar Mohammad Khan (Member)

Mr. Ameed Riaz (Member)

Company Secretary Mr. Shabbir Ahmed Jamsa

Chief Internal Auditor Mr. Abbas Kerani

Auditors M/s. Reanda Haroon Zakaria Aamir

Salman Rizwan & Company

Chartered Accountants

Bankers Soneri Bank Limited

Bank Alfalah Limited Bank AL Habib Limited Faysal Bank Limited Meezan Bank Limited

Legal Advisors Mr. Masood Aziz Advocate

Masood Aziz & Associates

Shariah Advisor Mufti Abdul Qadir



Principal place of businessRoom No. 405, 4th Floor

Beaumont Plaza, Beaumont Road

Civil Lines Quarters, Karachi.

Registered Office of the Modaraba Company 125-S, Small Industrial Area

Kot Lakhpat, Lahore.

Certificate Registration Office F.D. Registrar Services (Pvt) Limited

Office No. 1705, 17th Floor, Saima

Trade Tower-A, I.I. Chundrigar Road,

Karachi.



REPORT OF THE DIRECTORS

The Board of Directors of A R Management Services (Private) Limited, the management company of First Imrooz Modaraba is pleased to present the condensed interim un-audited financial statements for the first quarter ended on September 30, 2025.

1. Financial Highlights

Financial results of the Modaraba are summarized as under:

		(Rupees in million)		
		Three months ended		
		30-Sep-25	30-Sep-24	
Sales		252.40	308.11	
Gross profit		50.11	74.68	
Operating expenses		33.0	26.19	
Other income		0.13	0.94	
(Loss) / Profit for the quarter		(2.18)	29.16	
(Loss) / Earnings per certificate - basic & diluted	(Rupees)	(0.73)	9.72	

2. Review of Operations

During the first quarter of FY 2025-26, Modaraba faced a decline in sales and gross profit compared to the same period last year. The trade war between China and USA has led to inventory buildup in China. This inventory buildup has resulted in China offering products at a considerable discount. Your Modaraba has a substantial stock of such products which have to be sold at a discount over cost price. Resultantly net loss for this quarter is Rs. 2.18 million.

The management remains focused on controlling costs and increasing sales in the coming quarters, leading to better results.

3. Acknowledgement

The Board wishes to express its thanks for continued guidance and support extended by the Registrar Modaraba and other officials of Securities and Exchange Commission of Pakistan. The Board also wishes to thank its certificate holders, bankers, business partners and the employees of the Modaraba for their continued support and co-operation.

For and on behalf of the Board

Naveed Riaz Chief Executive Ameed Riaz Director

October 28, 2025



ڈائر یکٹرز کی ربورٹ

فرسٹ امر وزمضار یہ کیانتظامی کمپنی اے آر مینجنٹ سروسز (پرائیویٹ) کمپیٹڈ کے بورڈ آف ڈائر یکٹر زمضار یہ کی پہلی سہ ماہی کی اختتامی مدت 30ستمبر 2025ء کے غیر آڈیٹڈ مالی نتائج کے حوالے سے رپورٹ پیش کرتے ہوئے مسرت محسوس کرتے ہیں۔

1- نمايال مالياتى تكات

مضاربہ کے مالیاتی نتائج مندرجہ ذیل ہیں:

	30-Sep-25	30-Sep-24
	(ملين روپوں ميں)	
وخت	252.40	308.11
و ئى منافع	50.11	74.68
ظامی اخراجات	33.0	26.19
يُرآ مدن	0.13	0.94
, ما بی کا (خساره)/منافع	(2.18)	29.16
کس سر ٹیفکیٹ (خسارہ)/آ مدنی (بنیادی اور تحلیل شدہ)روپے	(0.73)	9.72

2_ كار كردگى كاجائزه

مالی سال 2025-26ء کی پہلی سہ ماہی کے دوران، مضاربہ کو پچھلے سال کے مقابلے میں فروخت اور مجموعی منافع میں کمی کا سامنا کر ناپڑا۔ چین اور امریکہ کے در میان جاری تجارتی کشیدگی کے نتیجے میں چین میں خام مال کے ذخیرہ میں اضافہ ہوا، جو چینی سپلا کرزنے نمایاں رعایت پر پیش کیں۔ اس صورت حال کے پیشِ نظر، مداربہ کے پاس ایسے خام مال کا خاطر خواہ ذخیرہ موجود ہے جسے لاگت سے کم قیمت پر فروخت کر ناپڑا۔ نتیجتا گاس سہ ماہی کے دوران مداربہ کو 2.18 ملین روپے کا خسارہ بر داشت کر ناپڑا۔

انظامیه آئندہ سہ ماہیوں میں اخراجات پر قابو پانے اور فروخت میں اضافہ کرنے پراپنی توجہ مر کوزر کھے ہوئے ہے، تاکہ بہتر نتائج حاصل کیے جا سکیں۔

3- اعتراف نامه

بورڈاس موقع پررجسٹرار مضاربہ اور سیکورٹیز اینڈ ایمینیشن آف پاکستان کے دیگر حکام کی مسلسل رہنمائی اور مدد کے لئے اپنے تشکر کااظہار کرتا ہے۔ بورڈاس کے علاوہ اپنے سرٹیفکیٹ مالکان، رفقائے کار، سرمایہ کاروں، بینکاروں، کاروباری پارٹیوں کی رہنمائی اور مضاربہ کے تمام ملاز مین کی انتھک محنت اور گئن کے لئے ان سب کاشکر گزارہے۔

منجانب بورڈ

نويدرياض عميدرياض

چيف ايگزيکيوڻيو ڏائريکٹر

28 کتوبر 2025ء



CONDENSED INTERIM BALANCE SHEET AS AT SEPTEMBER 30, 2025

	Note	September 30, 2025 Rupees (Un-audited)	June 30, 2025 Rupees (Audited)
ASSETS		,	,
NON CURRENT ASSETS			
Property and equipment	4	22,579,011	15,072,279
Intangible assets		344,675	435,500
Long term deposits		902,702	902,702
		23,826,388	16,410,481
CURRENT ASSETS			
Stock in trade		445,408,028	450,669,478
Trade debtors		182,889,890	204,651,757
Advances, deposits, prepayments and other receivables		6,314,422	4,555,285
Cash & bank balances		5,918,463	2,550,461
		640,530,804	662,426,981
TOTAL ASSETS		664,357,192	678,837,462
EQUITY AND LIABILITIES CAPITAL AND RESERVES Authorised Capital 10,000,000 Modaraba Certificates of Rs. 10 each Issued, subscribed and paid-up certificate capital Statutory reserve Revenue reserve		30,000,000 118,733,257 76,385,390 225,118,647	30,000,000 118,733,257 123,570,792 272,304,049
NON-CURRENT LIABILITIES			
Obligation under financing facilities - Secured	5	1,179,250	1,573,486
Defined benefit plan - Staff gratuity		6,719,947	6,719,947
CVPD VIII V V I DVV VIII V I		7,899,197	8,293,433
CURRENT LIABILITIES	5	161 576 012	161 576 012
Current portion of obligation under financing facilities - Secured Running musharaka	5	161,576,912 8,465,218	161,576,912 29,785,817
Qard-e-Hasana from Modaraba Management Company		25,000,000	3,000,000
Creditors, accrued and other liabilities		236,297,218	203,877,251
Creations, accrucia and outer matinues		431,339,348	398,239,980
TOTAL EQUITY AND LIABILITIES		664,357,192	678,837,462
CONTINGENCIES AND COMMITMENTS	6	007,557,172	070,037,702
CONTINUE TO COMMITTIENTS	0		

The annexed notes from 1 to 11 form an integral part of this condensed interim financial information.

For A R Management Services (Private) Limited (Modaraba Management Company)

NAVEED RIAZ CHIEF EXECUTIVE ALIUDDIN AHMED DIRECTOR

AMEED RIAZ DIRECTOR

SHEHERYAR ALI CHIEF FINANCIAL OFFICER



CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2025

	Quarter ended		
	Jul - Sep 2025 Rupees	Jul - Sep 2024 Rupees	
Sales	252,402,160	308,119,409	
Cost of sales	(202,289,437)	(233,434,820)	
Gross profit	50,112,723	74,684,589	
Operating expenses	(32,996,763)	(26,193,162)	
Operating profit	17,115,961	48,491,427	
Financial charges	(5,703,391)	(8,078,033)	
Other income	125,645	940,921	
Provision for Sindh Workers' Welfare Fund		(827,086)	
Profit before levies & taxation	11,538,214	40,527,229	
Levies	(13,723,616)	(11,364,876)	
(Loss) / Profit before taxation	(2,185,402)	29,162,353	
Taxation	-	-	
Net (Loss) / Profit after taxation	(2,185,402)	29,162,353	
Other Comprehensive Income Total Comprehensive Income	(2,185,402)	29,162,353	
(Loss) / Earnings per certificate - basic & diluted	(0.73)	9.72	
The annexed notes from 1 to 11 form an integral part of this condensed interim financial information.			

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2025

	Paid-up certificate	Statutory reserve	Revenue reserve Unappropriated profit	Total
]		
Balance at June 30, 2023	30,000,000	118,733,257	73,124,705	221,857,962
Comprehensive income for the period: July 2024 to Sept 2024				
Profit for the period Other comprehensive income		- -	29,162,353	29,162,353
Balance as at September 30, 2024	30,000,000	118,733,257	102,287,058	251,020,315
Profit distribution for the year ended June 30, 2024 @ Rs. 15 per certificate	-	-	(45,000,000)	(45,000,000)
Comprehensive income for the period: Oct 2024 to Jun 2025 Profit for the period Other comprehensive income	- -	 	66,283,734	66,283,734
Balance at June 30, 2025	30,000,000	118,733,257	123,570,792	272,304,049
Comprehensive loss for the period: July 2025 to Sept 2025 Loss for the period Other comprehensive income Profit distribution for the year ended June 30, 2025 @ Rs. 15/- per certificate	- -	- - -	(2,185,402) - (45,000,000)	(2,185,402)
Balance as at September 30, 2025	30,000,000	118,733,257	76,385,390	225,118,647

The annexed notes from 1 to 11 form an integral part of this condensed interim financial information.

For A R Management Services (Private) Limited (Modaraba Management Company)



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

	Quarter e	ended
	Sept. 30, 2025 Rupees	Sept. 30, 2024 Rupees
A. CASH FLOWS FROM OPERATING ACTIVITIES		1
Profit before taxation	11,538,214	40,527,229
Adjustments for non-cash and other items:		
Depreciation	1,541,288	983,175
Amortization of intangible assets	90,825	130,224
Financial Charges	5,703,391	8,983,003
Gain on disposal of property and equipement	-	(15,000)
	7,335,504	10,081,402
Operating profit before working capital changes	18,873,718	50,608,630
Changes in operating assets and liabilities		
(Increase) / Decrease in current assets		
Stock in trade	5,261,450	121,197,173
Trade debtors	21,761,867	43,113,269
Advances, deposits, prepayments and other receivables	(1,759,137)	5,174,904
	25,264,179	169,485,346
Decrease in current liabilities Creditors, accrued and other liabilities	(12 366 767)	(200 166 221)
Cash generated from / (used in) operations	<u>(12,366,767)</u> 31,771,131	(300,166,321) (81,962,537)
Financial charges paid	(5,916,658)	(4,983,431)
Income Taxes paid	(13,723,616)	(14,244,475)
Net cash generated from / (used in) operating activities	12,130,857	(101,190,443)
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(9,048,020)	_
Proceeds from disposal of property and equipment	-	15,000
Net cash generated from investing activities	(9,048,020)	15,000
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts of Qard-e-Hasana from Modaraba Management Company	69,000,000	133,000,000
Repayment of Qard-e-Hasana to Modaraba Management Company	(47,000,000)	(70,000,000)
Receipts from Musawamah finances	160,000,000	95,000,000
Repayment of Musawamah finances	(160,000,000)	(95,000,000)
Receipts from Musharaka finances	398,263,570	438,692,093
Repayment of Musharaka finances	(419,978,406)	(438,844,521)
Net cash generated from financing activities	285,165	62,847,573
Net decrease in cash and bank balances A+B+C	3,368,002	(38,327,870)
Cash and bank balances at the beginning of the period	2,550,461	52,255,980
Cash and bank balances at the end of the period	5,918,463	13,928,110

The annexed notes from 1 to 11 form an integral part of this condensed interim financial information.

For A R Management Services (Private) Limited (Modaraba Management Company)



1 NATURE AND STATUS OF BUSINESS

- First Imrooz Modaraba (the Modaraba) was formed on September 27, 1993 under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 (XXXI of 1980) and the Rules framed there under and is managed by A R Management Services (Private) Limited. The Modaraba commenced its commercial operations from March 01, 1994. The Modaraba is listed on Pakistan Stock Exchange.
- 1.2 The principal place of the business of the Modaraba is situated at room No. 405, 4th Floor, Beaumont Plaza, Beaumont Road, Civil Line Quarters, Karachi, in the province of Sindh, Pakistan.
- 1.3 It is a multi purpose, perpetual Modaraba and is mainly engaged in domestic and international trading activities.

2 BASIS OF PREPARATION

2.1 Statement of compliance

2.1.1 This condensed interim financial information has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of International Accounting Standard (IAS) 34 - Interim Financial Reporting, Islamic Financial Accounting Standards (IFAS) as notified under the provisions of the Companies Act, 2017 and made applicable to Modarabas, Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, the Modaraba Companies and Modaraba Rules, 1981 and directives issued by the Securities and Exchange Commission of Pakistan (SECP) ['the Modaraba Regulations'].

Wherever the requirements of 'the Modaraba Regulations' differ from the requirements of International Accounting Standard (IAS) 34 - Interim Financial Reporting and Islamic Financial Accounting Standards (IFAS) as notified under the provisions of the Companies Act, 2017 and made applicable to Modarabas, requirements of 'the Modaraba Regulations' have been followed.

- 2.1.2 The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of IAS 34. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Modaraba for the year ended June 30, 2025.
- 2.1.3 The comparative statement of balance sheet presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Modaraba for the year ended June 30, 2025, whereas the comparative condensed interim profit and loss account, condensed interim cash flow statement, condensed interim statement of changes in equity of the Modaraba are extracted from the unaudited condensed interim financial information for the quarter ended September 30, 2025.
- 2.1.4 This condensed interim financial information is un-audited.

2.2 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention except for defined benefit plan - staff gratuity which is carried as per actuarial valuation.

2.3 Functional and presentation currency

This condensed interim financial information is prepared in Pakistani Rupees which is the Modaraba's functional and presentation currency. The figures in this condensed interim financial information have been rounded off to the nearest rupee unless otherwise specified.

3 SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ACCOUNTING ESTIMATES, JUDGEMENT AND CHANGES THEREIN



- The accounting policies adopted for the preparation of the condensed interim financial information are the same as those applied in the preparation of the annual audited financial statements of the Modaraba for the year ended June 30, 2025.
- 3.2 The preparation of this condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use of judgements that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. 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.
- 3.3 The significant estimates, judgements and assumptions made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied to the annual audited financial statements as at and for the year ended June 30, 2025.
- 3.4 There are certain standards, interpretations and amendments to approved accounting standards which have been published and are mandatory for the Modaraba's accounting period beginning on or after January 01, 2021. These standards, interpretations and amendments are either not relevant to the Modaraba's operations or are not expected to have a significant effect on this condensed interim financial information.
- 3.5 The Modaraba's financial risk management objectives and policies are consistent with that disclosed in annual audited financial statements of the Modaraba for the year ended June 30, 2025.

4	PROPERTY AND EQUIPMENT	Note	September 30, 2025 (Rupees) (Un-audited)	June 30, 2025 (Rupees) (Audited)
	Following additions and disposals, at cost, were made during the per	iod / year :		
	Opening fixed assets (Net book value)		15,072,279	11,727,765
	Additions		9,048,020	11,508,828
	Disposals		(445,940)	(2,822,038)
	Depreciation charge for the period / year		(1,541,288)	(5,342,276)
	Depreciation on disposals during the period / year		445,940	-
	Closing fixed assets (Net book value)	=	22,579,011	15,072,279
5	OBLIGATION UNDER FINANCING FACILITIES - SECURE	ED		
	Diminishing Musharaka financing facility	5.1 & 5.2	2,756,162	3,150,398
	Less: non-current portion under			
	Diminishing Musharaka financing facility	5.1 & 5.2	(1,179,250)	(1,573,486)
	Current portion under Diminishing Musharaka financing facility		1,576,912	1,576,912
	Musawamah Financing Facility	5.3	160,000,000	160,000,000
		=	161,576,912	161,576,912

5.1 The Modaraba has availed Running Musharaka Financing facility from Bank AL Habib Limited with sanctioned limit of Rs. 30 million (June 30, 2025 : Rs. 30 million). This facility has been obtained to finance working capital requirements of the Modaraba carries profit at the rate of 1.5% (June 30, 2025 : 1.5%) over 3 months average KIBOR.



- 5.2 In prior year, the Modaraba had obtained Diminishing Musharaka financing facility with a sanctioned limit of Rs. 10 million from Bank AL Habib Limited for the purchase of locally manufactured brand new / used commercial and non-commercial vehicles for Modaraba's / staff use. The facility carries profit at the rate 2.25% over 1 year KIBOR and is repayable within 5 years from the date of delivery of vehicle(s).
- 5.3 The Modaraba has also availed Musawamah finance facility from Bank AL Habib Limited with a sanctioned limit of Rs. 230 million (June 30, 2025: Rs. 230 million) to finance sale of inventory owned by the Modaraba. The facility carries profit at the rate of 1.5% (June 30, 2025: 1.5%) over 3 months average KIBOR.
- 5.4 All facilities are secured against hypothecation charge on current assets (stock in trade and trade debts) of Modaraba.

6 CONTINGENCIES AND COMMITMENTS

6.1 Contingencies

6.1.1 The Deputy Commissioner (DC), Unit 37 of the Sindh Revenue Board (SRB) issued Show Cause Notices (SCNs) in October 2023, relating to the tax period ended June 2016 to June 2022 for recovery of Sindh Workers Welfare Fund (SWWF).

The Modaraba has filed its responses to the said SCNs taking plea that the Modaraba is not engaged in any kind of activity whatsoever related to banking or financing, since its inception. It is engaged in the business of commercial imports of specialty chemicals. Therefore, provisions of SWWF are not applicable on the Modaraba.

However, the DC of SRB passed seven orders in November 2023, and in January 2024, creating aggregate demand of Rs.26,087,353/-, which includes Penalties at Rs.778,000/- and default surcharge at Rs.9,749,348/-.

The Modaraba has filed appeals before the Commissioner Appeals, SRB, Karachi where the matter is pending. The SRB Tribunal has been pleased to grant stay of disputed demand, subject to the payment of Rs.1,500,000. The Modaraba has paid a sum of Rs. 1,500,000. The advisor of the Modaraba is hopeful of positive outcome.

6.1.2 The Modaraba has issued post dated cheques to the Collector of Customs amounting to Rs. 74.920 million (June 30, 2025 : Rs. 113.162 million) on account of custom dues and taxes on goods at bonded warehouse.

6.2 Commitments

Commitments in respect of outstanding letters of credit as at year end date for trading stock are amounting to Rs. 7.58 million (June 30, 2025 : Rs. NIL).

7 TAXATION

Provision for taxation is based on taxable income for the year at the current rates of taxation after taking into account tax credits and exemptions available, if any. For items covered under minimum tax regime (MTR), the management compared it with normal tax regime (NTR), alternate corporate tax (ACT) and turnover tax and record tax on the basis of which ever is higher. The Modaraba has followed a policy for tax recognition, whereby the tax paid at import stage is recognized as tax expense in the year in which the related goods are sold and the portion of the tax paid pertaining to the unsold inventory is carried forward in the balance sheet as an advance tax.

Deferred tax asset is recognized for available credits to the extent that it is probable that sufficient taxable temporary differences and taxable profits will be available against which credits can be utilized. Significant judgement is exercised to determine the amount of deferred tax asset to be recognized.



8 FAIR VALUE OF FINANCIAL INSTRUMENTS

As at quarter ended September 30, 2025, the Modaraba does not hold any financial asset or liability measured at fair value. Therefore, fair value hierarchies have not been disclosed.

Further, carrying value of all financial assets and liabilities reflected in the condensed interim financial information approximate their fair value.

9 RELATED PARTY TRANSACTIONS

The related parties of the Modaraba include the management company, associated undertakings, directors of the management company and key management personnel. Significant transactions with related parties are as follows:

	September 30, 2025 Rupees (Un-audited)	September 30, 2024 Rupees (Un-audited)
Share of common expenses to Group Companies	240,264	297,017
Warehouse rent to Group Companies	1,455,000	1,455,000
Receipt of Qard-e-Hasana from Modaraba Management Company	69,000,000	56,000,000
Repayment of Qard-e-Hasana to Modaraba Management Company	47,000,000	56,000,000

10 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was approved by the Board of Directors of the Modaraba Management Company and authorised for issue on 28 October 2025.

11 GENERAL

Amounts have been presented and rounded off to the nearest Rupee.

For A R Management Services (Private) Limited (Modaraba Management Company)