



بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ



IN MEMORY OF SHAHEED MOHTARMA BENAZIR BHUTTO

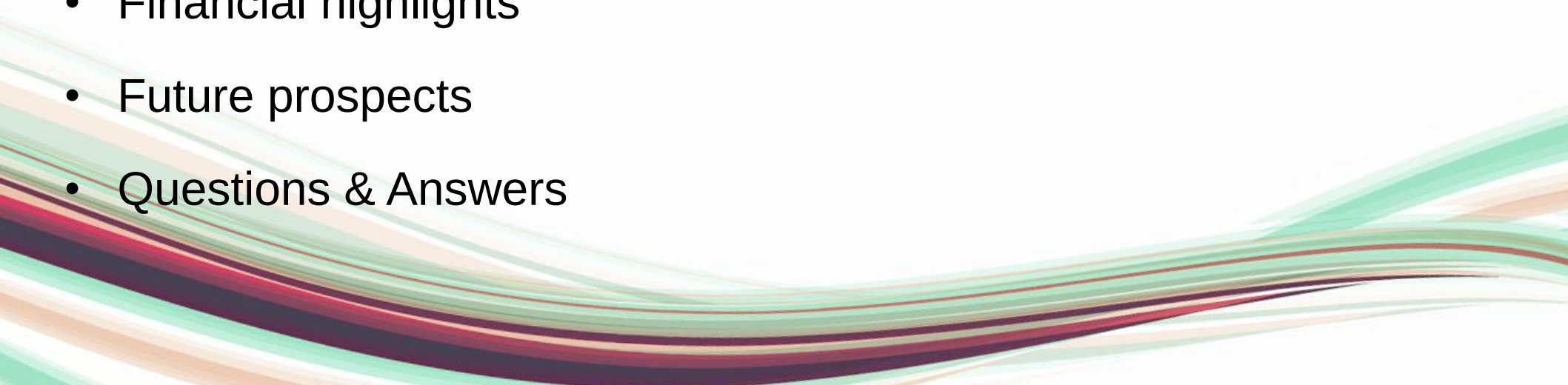


CORPORATE BRIEFING SESSION
(CBS)

TUESDAY, 20th OCTOBER 2026

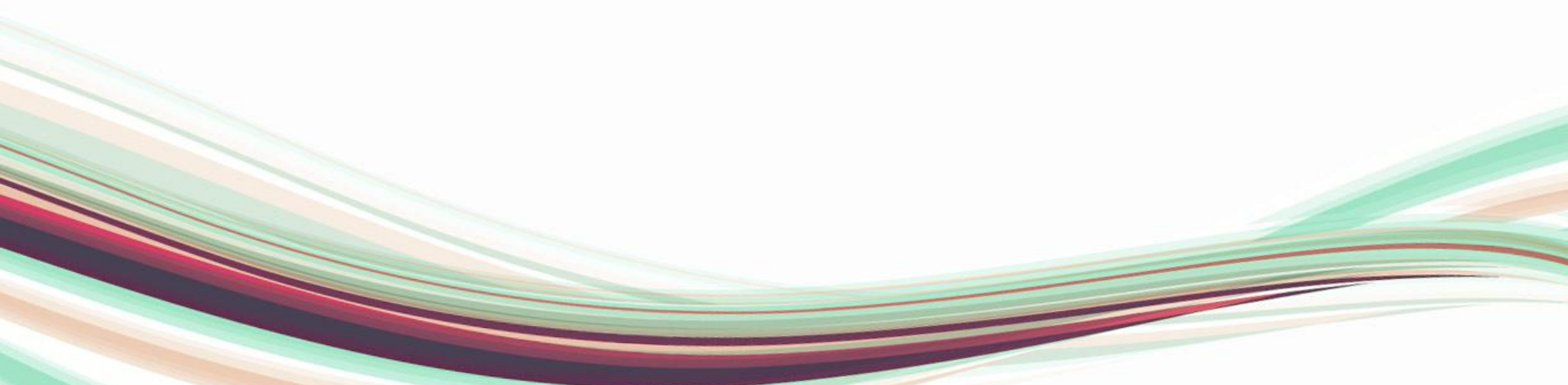


CORPORATE BRIEFING

- Sindh Modaraba Profile
 - Governance
 - Operation
 - Sector Analysis
 - Financial highlights
 - Future prospects
 - Questions & Answers
- 



PROFILE OF SINDH MODARABA





Sindh Modaraba commenced its operations in February 2015.

Sindh Modaraba is a perpetual and multi purpose Modaraba formed under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980.

Sindh Modaraba is an Islamic Financial Institution providing Shariah Compliant Services to its clients.

Sindh Modaraba is managed by Sindh Modaraba Management Limited which holds 94.33% of the certificate holding of Sindh Modaraba and is 100% owned by the Government of Sindh.

The registered office of the Sindh Modaraba Management Limited is at 1st floor, Imperial Court, Dr. Ziauddin Ahmed Road, Karachi.

OWNERSHIP STRUCTURE

Government of Sindh

100%

Sindh Modaraba Management Limited

94.33%

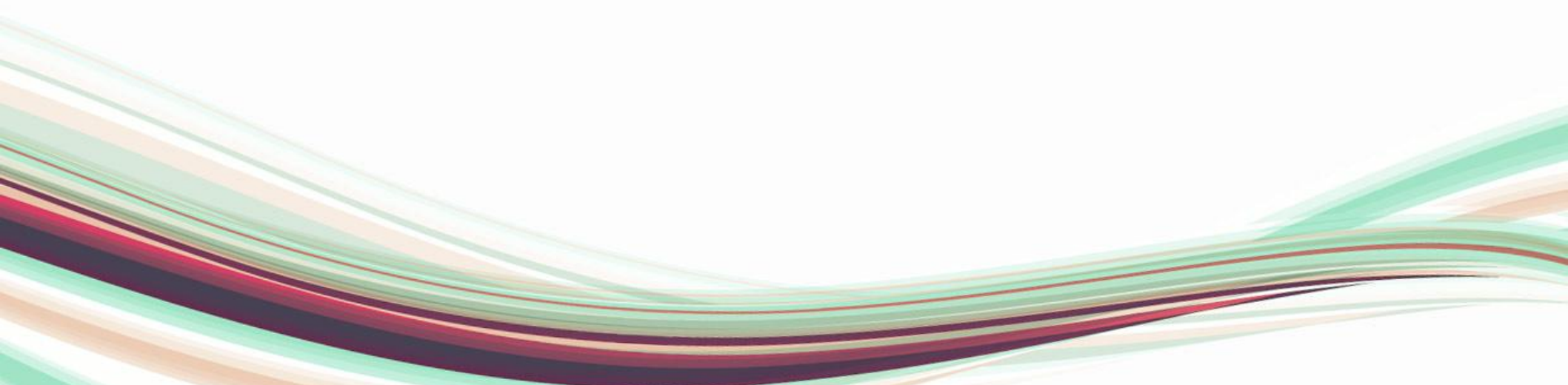
General Public

5.67%

Sindh Modaraba



GOVERNANCE





REGULATORY FRAMEWORK (SECP REGULATOR)

- Modaraba Companies and Modarabas (Floatation & Control) Ordinance, 1980
 - Modaraba Companies and Modaraba Rules, 1981
 - Modaraba Regulations, 2021
 - Public Sector Companies (Corporate Governance) Regulations, 2013
 - PSX Listing Regulations
 - Listed Companies (Corporate Governance) Regulations, 2019
 - Shariah Governance Regulation, 2023
- 



Board of Directors

Mr. Waseem Mehdi Syed	- Chairman	- Independent Director
Mr. M. Asghar Memon	- Secretary Finance-GoS	- Non-Executive Director
Mr. Sami ul Haq Khilji		- Non-Executive Director
Mr. Ejaz Akhtar Ansari		- Independent Director
Mr. Kamal Ahmed		- Non-Executive Director
Ms. Naila Asad Shaikh		- Non-Executive Director
Mr. Abdul Rauf Chandio	- Chief Executive	- Executive Director





Shariah Advisor

Syed Zahid Siraj

Credit Rating

Upgraded from:

Long term : A+

Short term : A -1

Upgraded to:

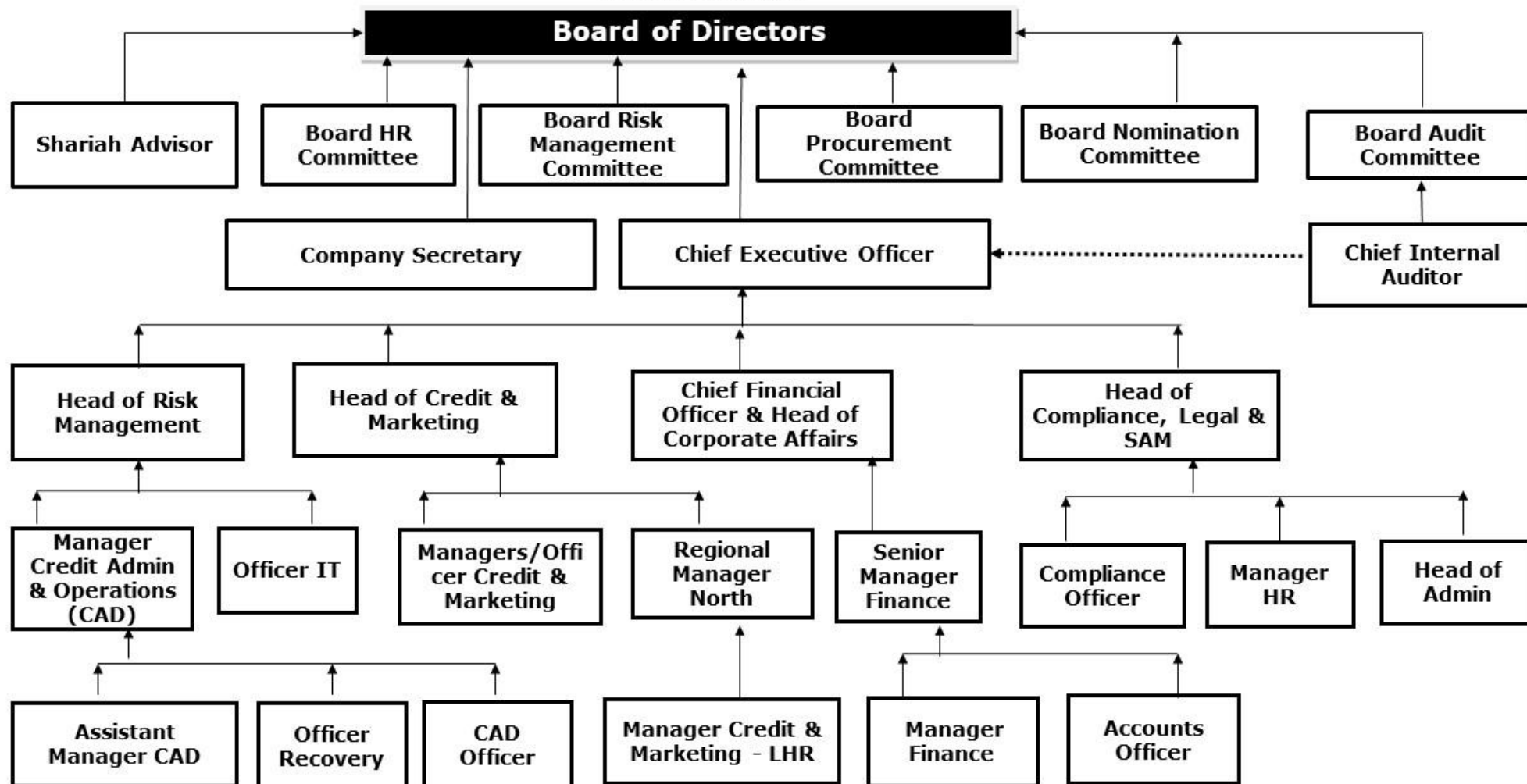
Long term : AA -

Short term : A1+

By **VIS Credit Rating Company Limited**

SINDH MODARABA & SINDH MODARABA MANAGEMENT LIMITED ORGANOGRAM

Updated



— Direct reporting
..... Indirect reporting

RISK MANAGEMENT FRAMEWORK

- a. Modaraba shall not allow any facility to clients, who have been allowed waivers / write offs in Modaraba or any other financial institution except when the disputed amounts are small and justified.
- b. Any borrower who holds influential public position shall require enhanced due diligence.
- c. Any conflicts of interest arising from Modaraba's various obligations are examined and resolved by the CMD, in cooperation with the Risk Management & Compliance Department.
- d. Risk management is a continuous on-going process to detect and manage risks and involves the following steps:

1. Identification of risks
2. Measurement
3. Aggregation
4. Planning and management or controlling
5. Monitoring
6. Mitigating the risk(s)



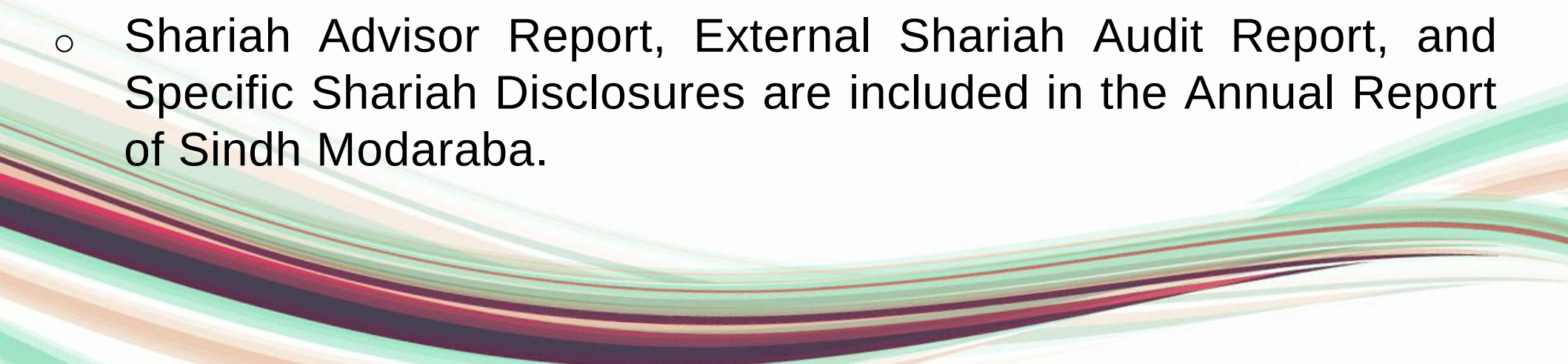
RISK MANAGEMENT FRAMEWORK

e. Anti-Money Laundering & Countering Financing Terrorism Policy:

- Policies and procedures are intended to ensure at the time of establishing relationship with the Customers, all reasonable and practical measures are taken to confirm the Customers' identities
- Modaraba has established a system to search its current and new clients to make suspicion after matching names from the proscribed list of individuals and entities published by NACTA and UNSCR.
- Frequency of the search for possible match is on fortnightly basis and accordingly reported to the regulator.
 - The day-to-day updating in the proscribed list is also matched with our database and reported on the online portal of SECP within 48 hours.
 - The Modaraba also quarterly submits a report to the regulator of its assessment on prescribed Performa circulated by the regulator.
 - The annual assessment also conducted and submitted to the regulator duly approved by the Board.

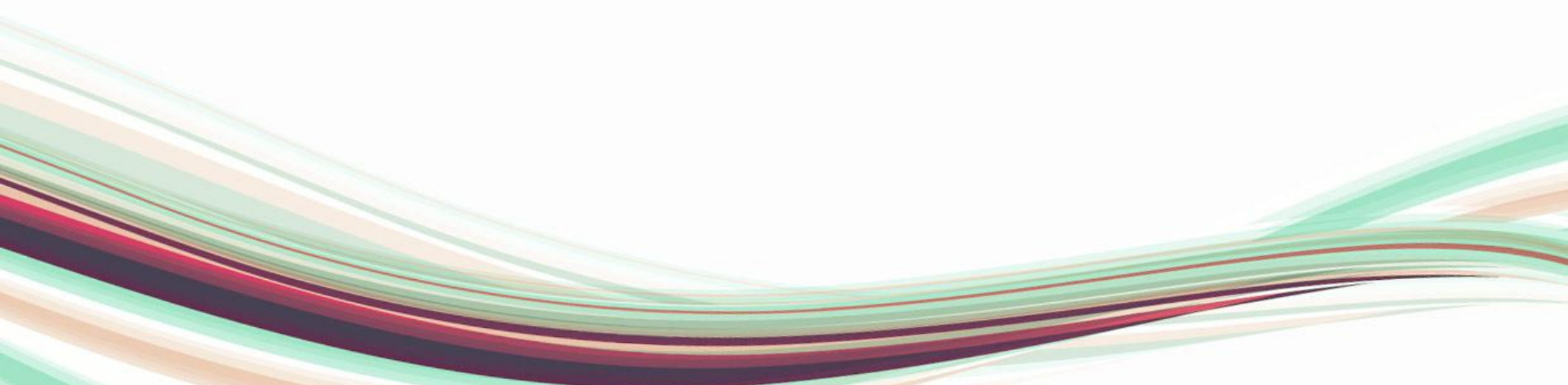


Shariah Governance

- Fully Complied with Shari'ah Compliance and Shari'ah Audit Mechanism (SCSAM) for Modarabas
 - Quarterly Internal Shariah Audit Report by Chief Internal Auditor
 - Shariah Advisor Report, External Shariah Audit Report, and Specific Shariah Disclosures are included in the Annual Report of Sindh Modaraba.
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OPERATIONS





BUSINESS MODEL

The Modaraba is a perpetual and multi-purpose Modaraba and is primarily engaged in providing Shariah compliant financing facilities to credit worthy customers. The Modaraba is listed on Pakistan Stock Exchange.

The registered office of the Sindh Modaraba is situated at 1st floor, Imperial Court Building, Dr. Ziauddin Ahmed Road, Karachi.

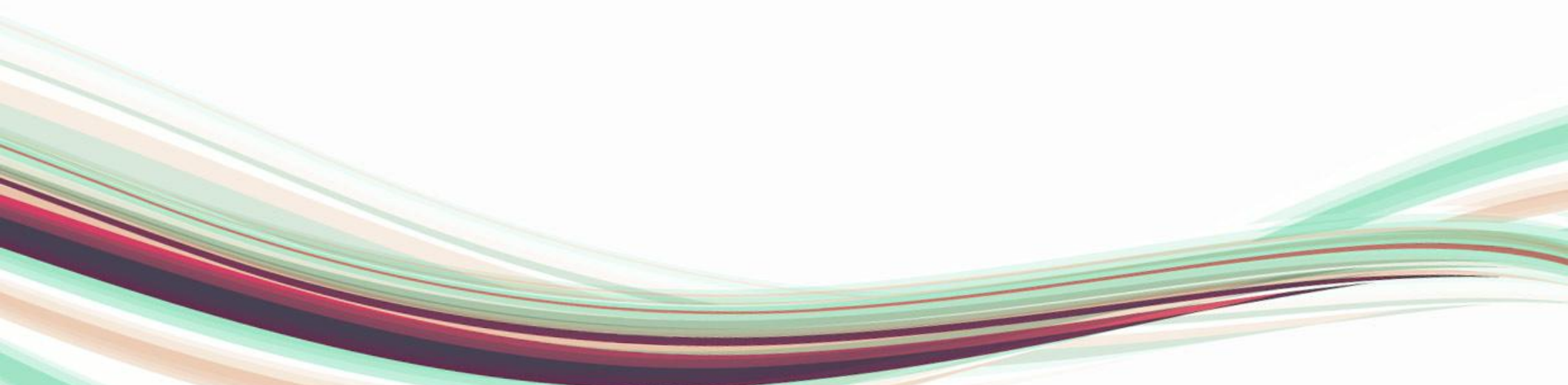


PRODUCTS / MODES OF FINANCING

- Modaraba
 - Diminishing Musharaka
 - Ijarah
 - Murabaha
 - Salam
 - Istisna
 - Any other products which may be approved by the Religious Board from time to time.
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Financial highlights



Financial Data

	2026	2025	2024	2023	2022	2021
		-----Rupees----- -----				
Balance Sheet						
Certificate capital	450,000,000	450,000,000	450,000,000	450,000,000	450,000,000	450,000,000
Reserves	641,410,135	541,508,632	417,309,901	272,367,212	195,948,970	175,056,964
Total equity	3,091,410,135	1,991,508,632	1,867,309,901	1,722,367,212	1,645,948,970	1,625,056,964
Total Assets	3,257,715,328	2,064,807,384	1,938,202,289	1,778,233,492	1,684,584,728	1,657,153,740
Financing Portfolio	2,576,353,941	1,704,531,304	791,724,335	919,465,142	901,928,698	819,617,511
Current Assets	2,389,543,151	1,341,458,400	1,516,515,930	1,280,808,047	1,173,981,336	1,200,357,149
Current Liabilities	161,110,772	73,298,752	70,892,388	55,866,280	38,635,758	32,096,776
Total Liabilities	166,305,193	73,298,752	70,892,388	55,866,280	38,635,758	32,096,776

Financial Data

2026	2025	2024	2023	2022	2021
-----Rupees-----					

Profit & Loss

Revenues	364,824,151	341,799,466	407,340,786	279,664,809	167,021,948	138,244,547
Operating expenses	111,081,930	87,438,400	64,572,249	64,092,024	40,887,729	46,442,770
Profit before management fee	262,229,914	267,098,316	346,316,807	219,363,097	113,522,169	78,624,804
Net profit before tax	232,073,474	236,382,009	306,490,374	194,575,067	100,694,164	75,822,337
Net profit after tax	161,346,524	180,113,788	201,330,520	130,410,860	66,313,222	75,822,337

Appropriations

Profit distribution (%)	14.00%	13.50%	12.50%	12.50%	12.00%	10.00%
Profit distribution	63,000,000	60,750,000	56,250,000	56,250,000	54,000,000	45,000,000
Statutory Reserve	32,269,305	36,022,758	40,266,104	26,082,172	26,537,818	26,537,818

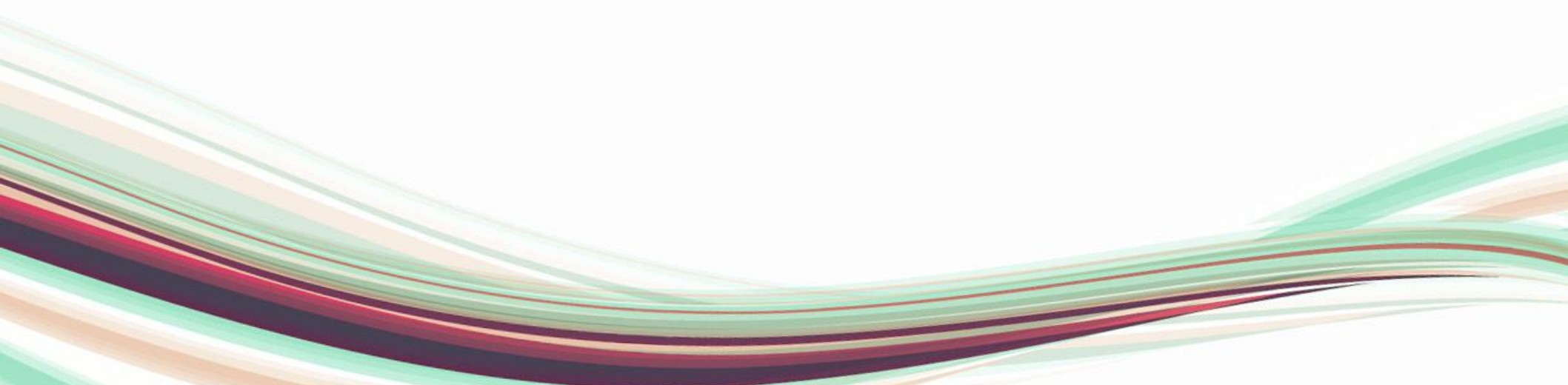
Key ratios

2026	2025	2024	2023	2022	2021
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Earning per Certificate	3.59	4.00	4.47	2.90	1.47	1.68
Breakup Value	24.25	22.03	19.27	16.05	14.35	13.89
Current ratio	14.29	18.30	21.39	22.93	30.39	37.40
Return on asset (%)	6.06%	9.00%	10.83%	7.53%	3.97%	4.51%
Return on equity (%)	6.35%	9.34%	11.22%	7.74%	4.05%	4.69%
Price quoted (PSX)	22.69	12.57	10.31	8.03	7.00	8.80



Future prospects





Future Prospects

Looking ahead, Pakistan's economic outlook remains cautiously optimistic, underpinned by continued macroeconomic stabilization, implementation of structural reforms under the IMF program, easing inflationary pressures, and a relatively accommodative monetary environment. While global geopolitical developments, trade uncertainties, commodity price volatility and climate-related risks continue to present challenges, improving business confidence and policy continuity are expected to support a gradual recovery in economic activity.

The lower interest rate environment, together with strengthening financial sector stability and increasing demand for Shariah-compliant financial solutions, is expected to create favourable opportunities for Islamic financial institutions. Continued government initiatives to promote Islamic finance, financial inclusion, digital transformation and private sector investment are anticipated to further support the growth of the Modaraba sector.

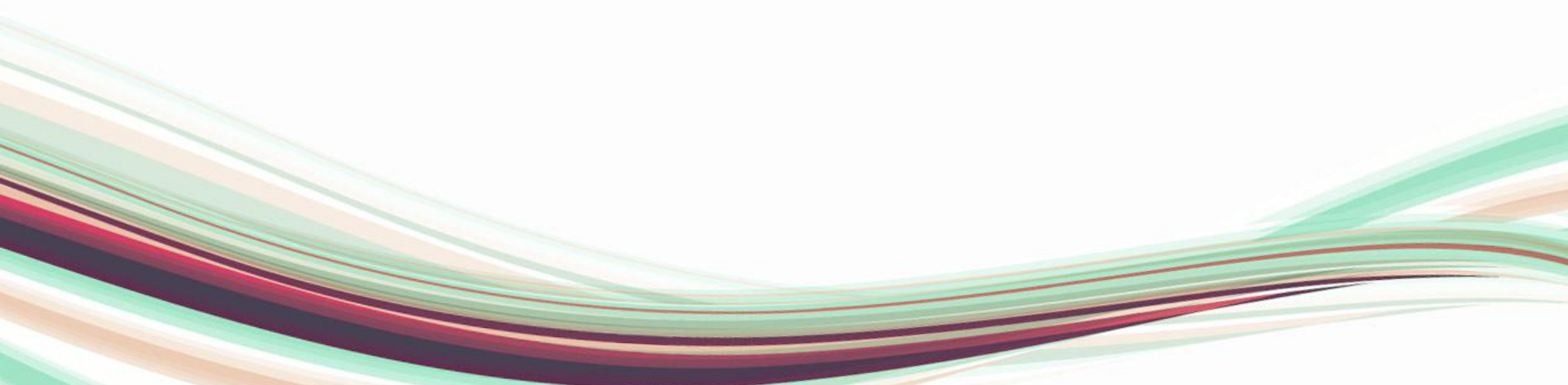
During FY-2027, Management anticipates receiving an additional equity support of Rs. 1 billion through the Modaraba Management Company for onward injection into Sindh Modaraba as a Riba-free subordinated fund, subject to completion of the requisite approvals and formalities. This additional capital support is expected to further strengthen the Modaraba's capital base, enhance its financing capacity, and support the execution of its long-term growth strategy.



Future Prospects

Building on these developments, Sindh Modaraba remains well positioned to capitalize on emerging opportunities through prudent portfolio expansion, disciplined credit underwriting, proactive recovery efforts, and continued emphasis on asset quality, liquidity management, operational efficiency, and robust risk management. The Management will continue to focus on financing quality customers operating in low-risk sectors, while maintaining strict Shariah compliance, sound corporate governance and sustainable value creation for certificate holders.

Although economic and regulatory challenges may persist, the Board remains confident that the Modaraba's strong financial foundation, experienced management and disciplined business strategy will support long-term sustainable growth and resilience.



QUESTIONS & ANSWERS



THANK YOU