Shari’ah Advisor’s Report
First Treet Manufacturing Modaraba
For the Year Ended June 30, 2025

I have conducted the Shari’ah review of First Treet Manufacturing Modaraba managed by Treet Holdings Limited Modaraba Management Company for the financial year ended June 30, 2025 in accordance with the requirements of the Shari’ah Compliance and Shari’ah Audit Mechanism for Modarabas and report the observations stated hereunder, in my opinion:

i. The Modaraba has introduced a mechanism which has strengthened the Shari’ah compliance, in letter and spirit and the systems, procedures and policies adopted by the Modaraba are in line with the Shari’ah principles.

ii. The agreement(s) entered by the Modaraba are Shari’ah compliant and the financing agreement(s) have been executed on the formats as approved by the Religious Board of SECP and all the related conditions have been met.

iii. During the review period, it has been noted that the Modaraba has extended loans to its parent and associated companies/ undetakings. From a Shari’ah perspective, such arrangements require careful consideration. As the Modaraba manages the funds entrusted by its certificate holders, these may be deployed through modes that are expressly permissible under Shari’ah and in line with the spirit of Modaraba financing.

iv. To the best of my information and according to the explanations given to me, the business transactions undertaken by the Modaraba and all other matters incidental thereto are in conformity with the Shari’ah requirements as well as the requirements of the Prospectus, Islamic Financial Accounting Standards as applicable in Pakistan and the Shari’ah Compliance and Shari’ah Audit Regulations for Modarabas.

v. Charity amount has been credited to Charity Account.

Recommendation:

It is therefore recommended that the Modaraba channel any such financing through Shari’ah-compliant structures such as Murabaha, Ijarah, Musharakah, or Istisna’a, under the guidance of the Shari’ah Advisor. These modes not only provide legitimate avenues for utilizing surplus funds but also ensure greater alignment with the Modaraba’s core objective of operating as a Shari’ah-compliant investment institution, while safeguarding the interests of certificate holders.

Conclusion:

While appropriating the matters stated above, it is opined that to the best of my knowledge and according to the explanations given to me, the business transactions undertaken by the Modaraba, and overall business operations during the year are in compliance with the rules & principles of Shari’ah.

May Allah make us successful in this world and hereafter and forgive our mistakes.

MUFTI MUHAMMAD JAVED
SHARI’AH ADVISOR
30th September, 2025