

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ



**First Habib Modaraba
Corporate Briefing Session
June 2020**

Corporate Briefing

- ▶ About First Habib Modaraba
- ▶ Operational Activities
- ▶ Awards and Achievements
- ▶ Financial Performance
- ▶ Way Forward

ABOUT FIRST HABIB MODARABA

Brief on FHM

First Habib Modaraba (FHM) was established in 1985 as Non-Bank Islamic Financial Institution as one of the pioneers within Modaraba Sector. FHM Completed 35 years of successful business operations within the Modaraba Sector of Pakistan. With a track record of excellent performance of more than 3 decades is the success story of dedication and commitment to provide the investors a sound and continuous return.

Over the Years FHM as been continuously recognizing for its satisfactory results, good corporate governance, best report culture and sound and stable credit rating.

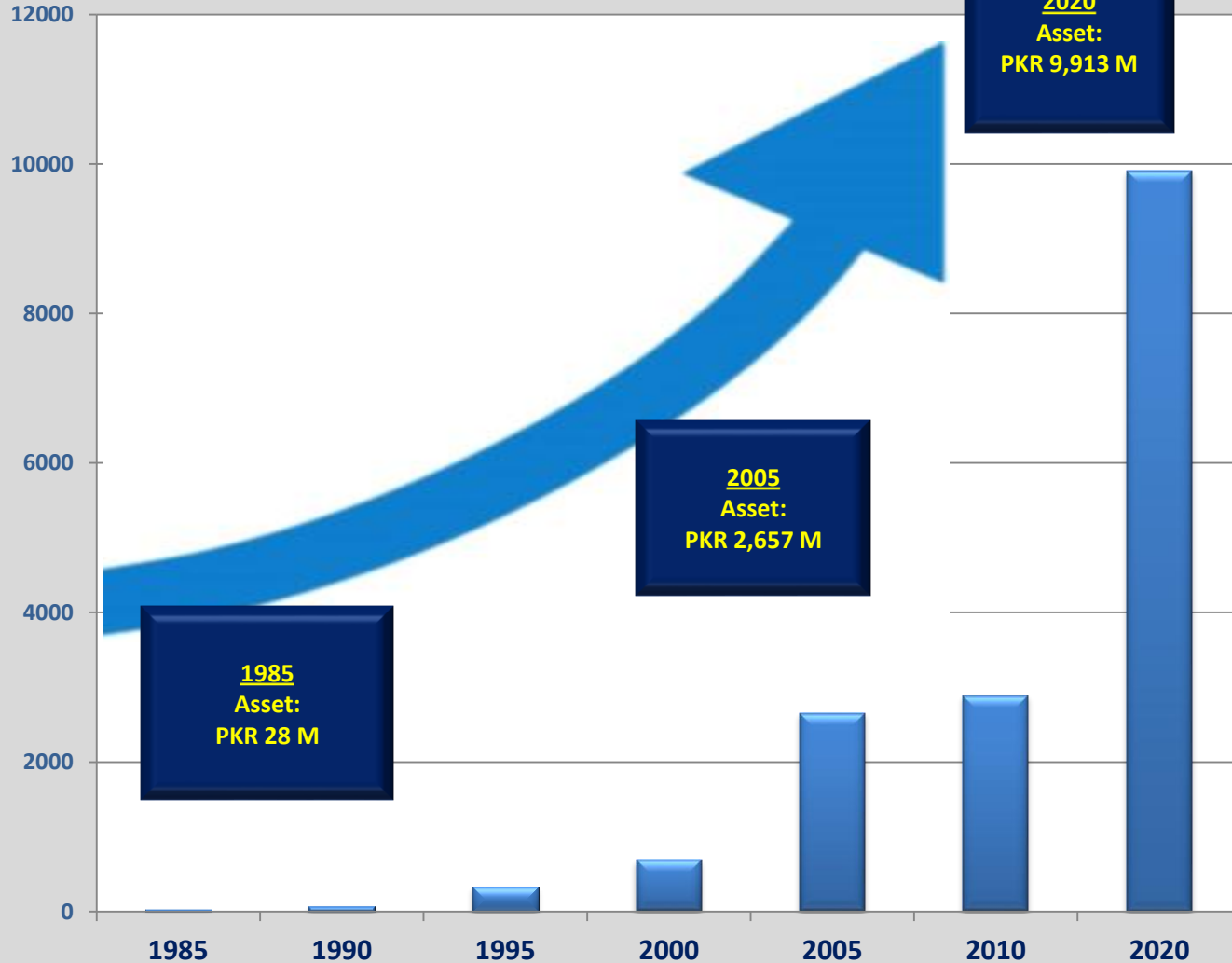
Our commitment to enhance value for our stakeholders, driven though resilience of our business model and determination of our team members made us sound and leading Modaraba within the Modaraba sector.

Timeline of FHM

Dividend Payment History

1985 - 2020

Assets



Year	% Age
1986	11%
1987	13%
1988	13%
1989	13%
1990	15%
1991	20%
1992	15%
1993	18%
1994	20%
1995	10%
1996	15%
1997	10%
1998	8%
1999	20%
2000	23%
2001	23%
2002	20%
2003	21%
2004	20%
2005	15%
2006	20%
2007	20%
2008	21%
2009	20%
2010	21%
2011	22%
2012	20%
2013	20%
2014	22%
2015	22%
2016	20%
2017	20%
2018	25%
2019	28%
2020	28%

Avg. Div. Pay out 14%

1986-1998 (13 Years)

Avg. Div. Pay out 21%

1999-2020 (20 Years)

Branch Network

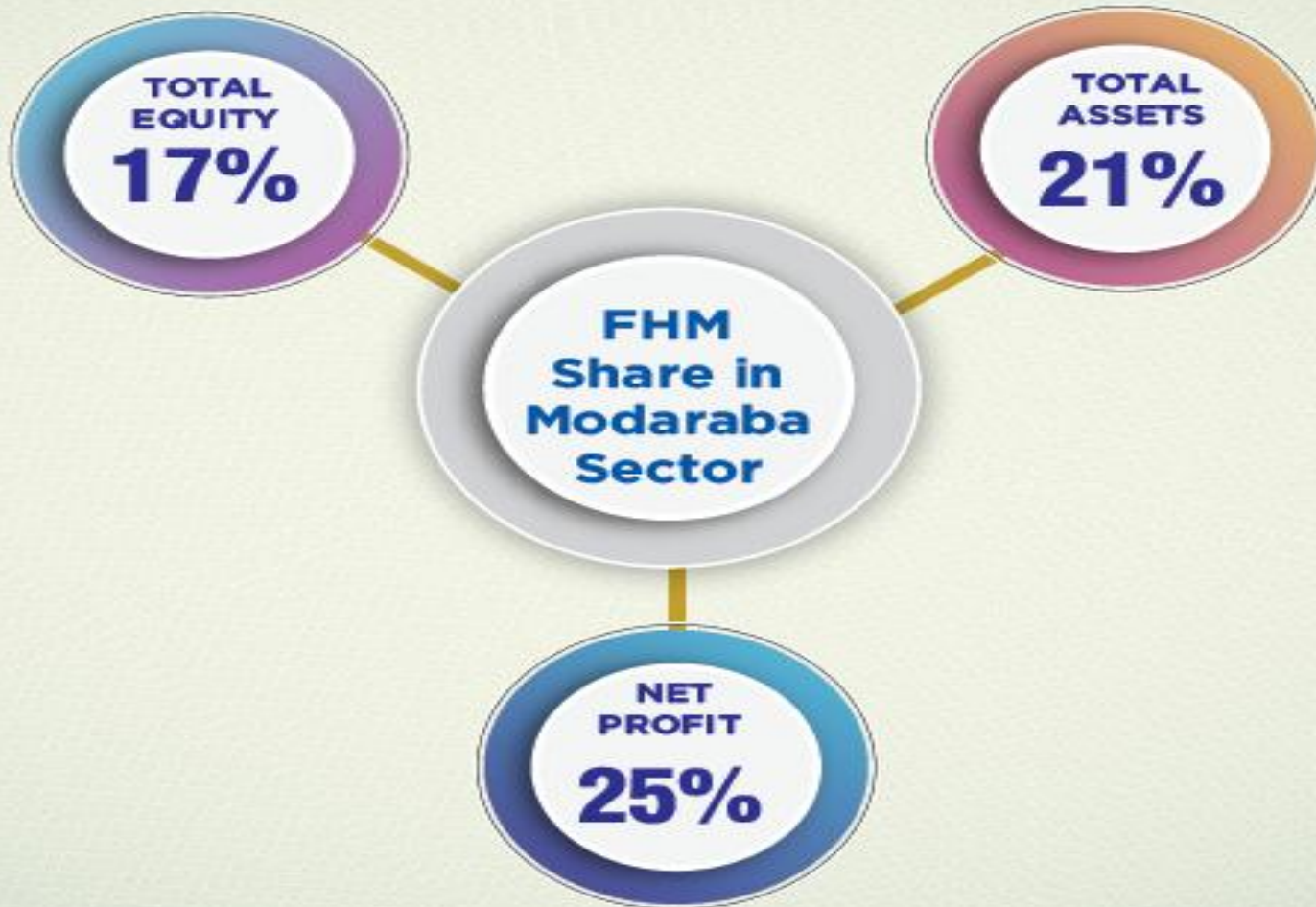
- ▶ Karachi
- ▶ Lahore
- ▶ Islamabad
- ▶ Multan
- ▶ Consumer Desk Offices:
 - ▶ Peshawar
 - ▶ Hyderabad

FINANCIAL AND NON FINANCIAL MODARABA SECTOR OF PAKISTAN AS ON MARCH 31, 2020

Financial Services Modarabas	As on March 31, 2020		
	Total Assets	Equity	Net Profit
First Habib Modaraba	11,004.72	3,495.10	265.71
ORIX Modaraba	6,867.88	1,134.20	87.18
First Punjab Modaraba	2,134.51	184.88	(7.73)
B.R.R. Guardian Modaraba	1,824.86	1,466.30	78.04
Sindh Modaraba	1,700.90	1,599.48	97.18
Awwal Modaraba	1,231.23	1,191.69	95.93
First Equity Modaraba	628.28	586.66	(0.75)
First UDL Modaraba	499.69	461.64	(3.19)
First Prudential Modaraba	478.84	416.55	(7.01)
First Paramount Modaraba	450.49	204.59	2.80
First Fidelity Leasing Modaraba	380.77	339.79	(1.21)
Trust Modaraba	357.10	301.34	1.62
Habib Metro Modaraba	338.15	329.19	25.33
First Al-Noor Modaraba	288.54	253.31	1.95
Modaraba Al-Mali	256.71	232.68	2.33
First National Bank Modaraba	256.35	(43.70)	(14.98)
First IBL Modaraba	228.05	192.16	4.51
First Elite Capital Modaraba	180.89	108.18	(1.27)
KASB Modaraba	155.68	139.38	(101.33)
B.F. Modaraba	125.90	136.99	2.38
Popular Islamic Modaraba	123.61	86.01	3.43
First Pak Modaraba	73.18	62.73	1.41
Total Profit			669.8
Total Loss			(137.5)
Total	29,586.32	12,879.16	532.34

Non Financial Services Modarabas	As on March 31, 2020		
	Total Assets	Equity	Net Profit
First Treet Manufacturing Modaraba	12,368.9	(187.5)	(2,230.4)
Allied Rental Modaraba	8,653.1	5,329.8	216.2
Orient Rental Modaraba	1,854.9	818.6	21.1
First Imrooz Modaraba	404.1	144.9	20.8
Total Profit			258.1
Total Loss			(2,230.4)
Net Total	23,281.0	6,105.8	(1,972.3)

**SHARE OF FIRST HABIB MODARABA WITHIN THE
MODARABA SECTOR OF PAKISTAN
AS ON JUNE 2019**



Organizational Structure



OPERATIONAL ACTIVITIES

Business Activities of FHM

Lease Financing

On rental basis for Motor Vehicle, Machinery and Equipment .

Diminishing Musharaka Financing

Diminishing Musharakah (DM) is a form co-ownership between the financial institution (FI) and the customer on fixed asset. Customer gradually buy the ownership units from FI through pre-agreed instalments.

Consumer Car Financing (SIRAT)

Auto financing for individuals

Investment in equity market

Investment in Shariah compliant listed securities including Islamic debt instrument

Certificate of Musharaka (COIs) (Liability side)

Products of deposits for fixed term from 3 months to 5 years

AWARD AND ACHIEVEMENTS

CREDIT RATINGS

Assigned by Pakistan Credit Agency Ltd. (PACRA)

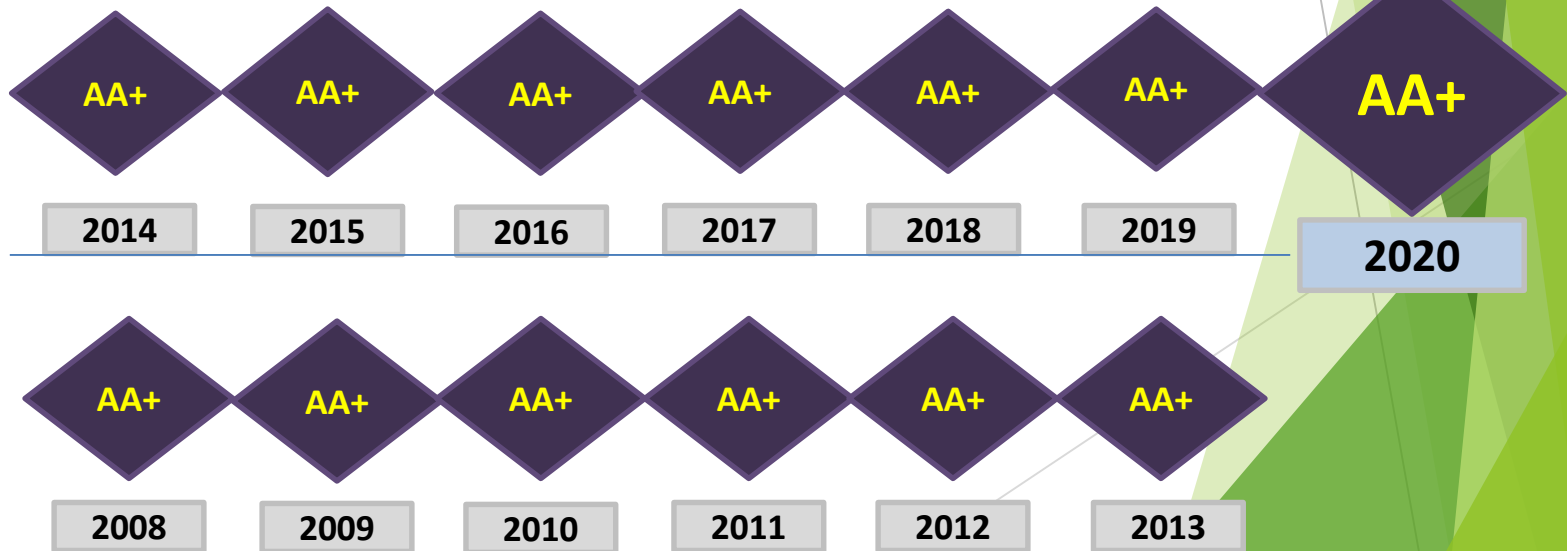
AA+

Long Term

A1+

Short Term

**AA+ Credit
Rating
since last
13 years**





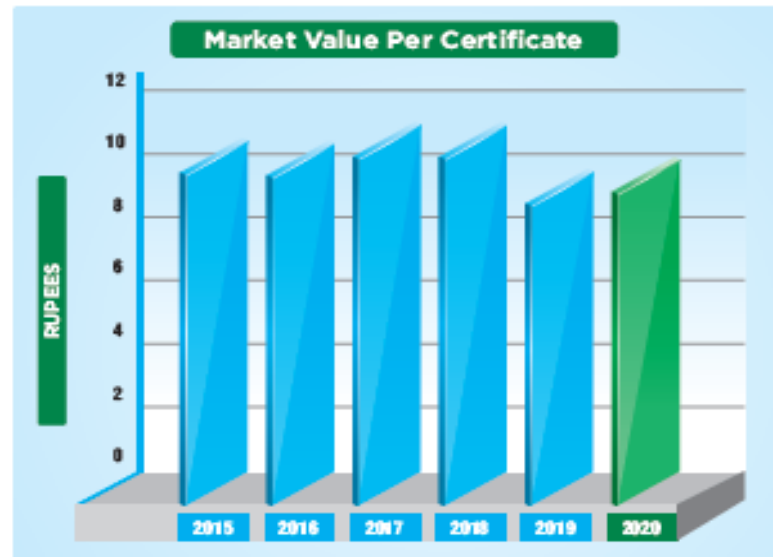
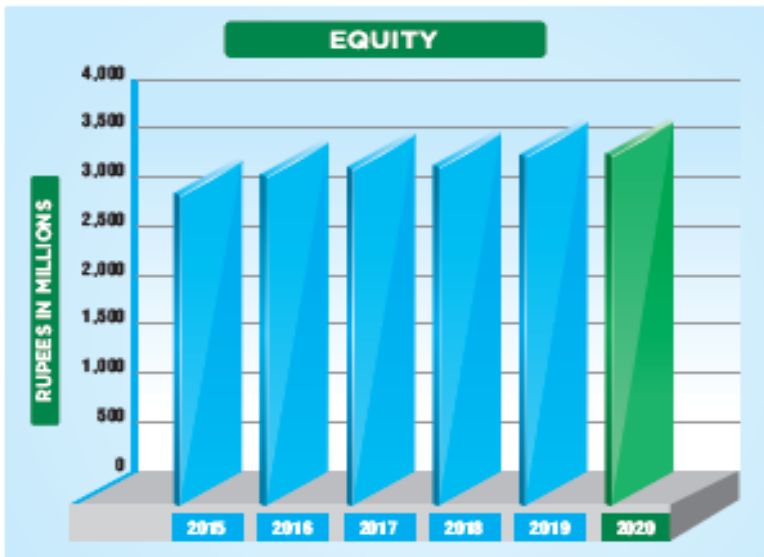
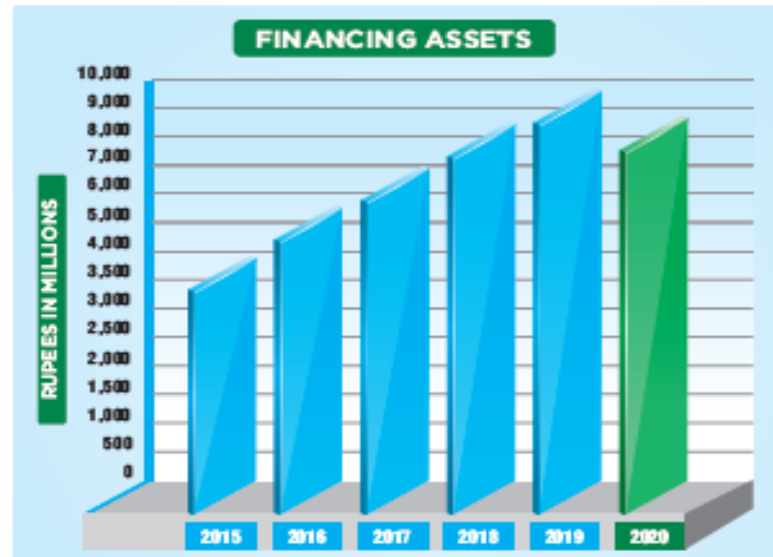
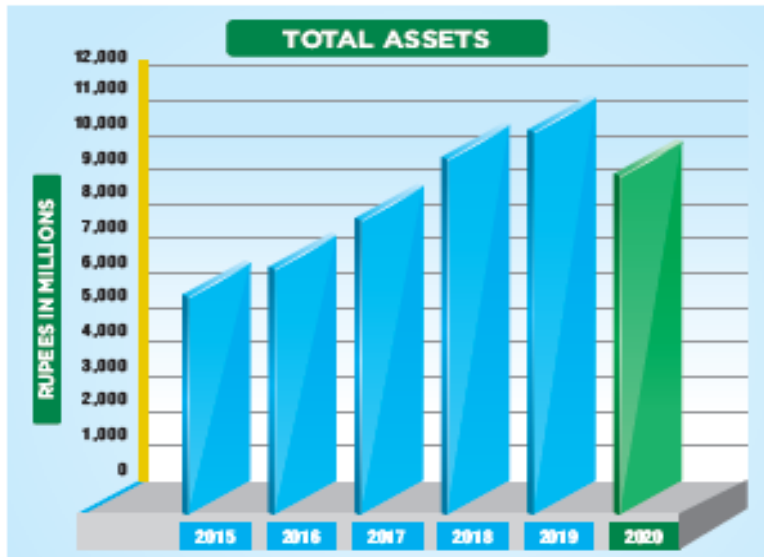
FINANCIAL PERFORMANCE

Key Financial Data of Two Years

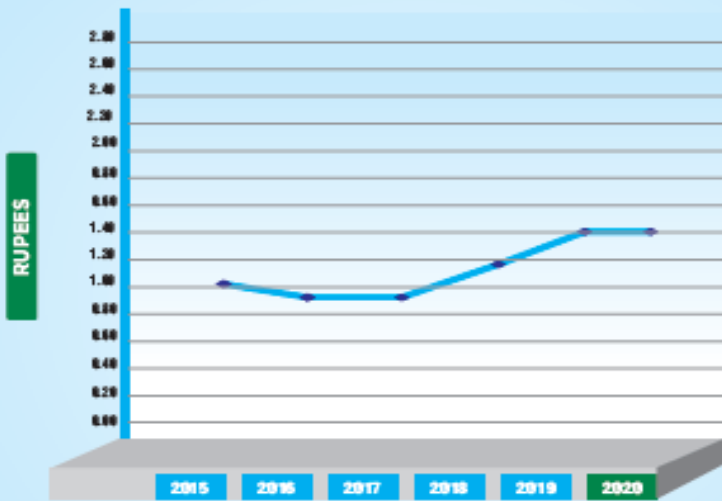
(Rupees in Million)

Key Financial Data	2020	2019
Total Assets	9,913	11,124
Total Liabilities	6,280	7,487
Certificate Holders' Equity	3,547	3,512
Certificate of Musharaka	5,280	6,149
Net Profit	316.68	319.69
Earning Per Certificate (Rs.5 each)	1.57	1.59
Profit after tax ratio (%)	14.39	15.79
Return on equity (%)	8.93	9.1
Cash Dividend (%)	28	28
Dividend yield ratio(%)	14.07	14.88

Graphical Presentation of Financial Summary



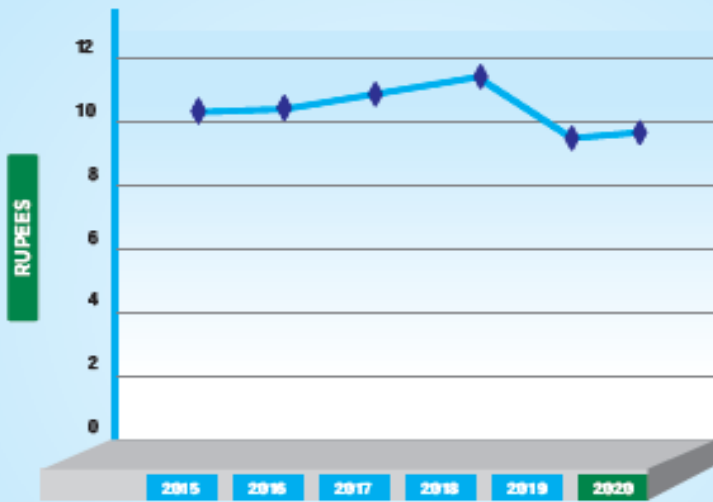
Dividend Per Certificate



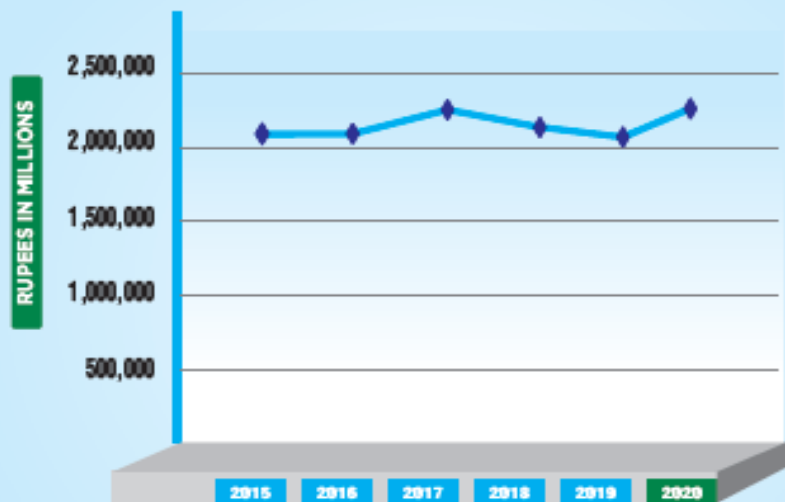
Net Asset Per Certificate



Market Value Per Certificate



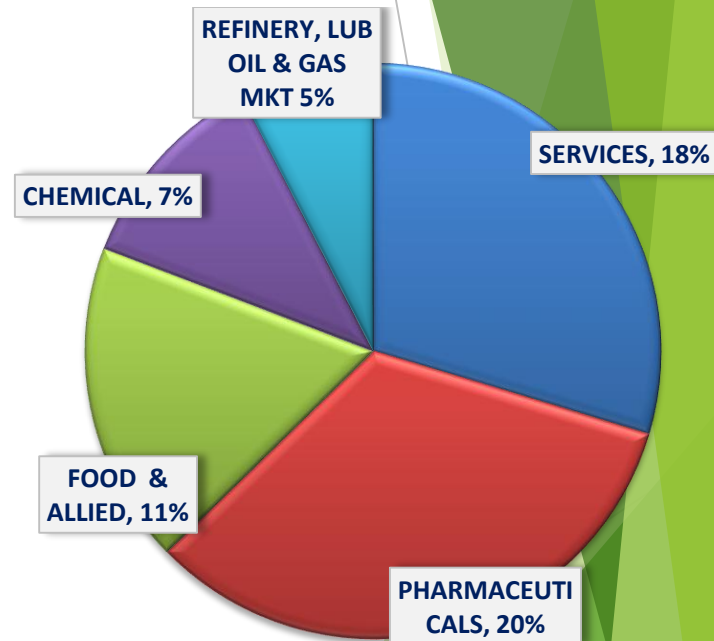
Market Capitalization



SECTOR ENGAGEMENTS (TWO YEARS COMPARISON)

Sector	Jue-19		June-20	
	Exposure PKR Million	% to Exposure	Exposure PKR Million	% to Exposure
SERVICES	1,807	18.67%	1,515	17.38%
PHARMACEUTICALS	1,677	17.33%	1,743	19.99%
FOOD & ALLIED	778	8.04%	954	10.88%
CHEMICAL	662	6.84%	613	6.98%
REFINERY, LUBRICANT, OIL & GAS MARKETING	597	6.17%	400	4.56%
INDIVIDUALS	575	5.95%	557	6.35%
CARGO, COURIER LOGISTICS	442	4.57%	399	4.55%
AUTO & ALLIED	415	4.29%	338	3.85%
TEXTILE	352	3.64%	361	4.11%
STEEL & ENGINEERING	337	3.48%	195	2.22%
IT & TELECOM	286	2.96%	269	3.07%
CABLE & ELECTRICAL GOODS	280	2.89%	238	2.71%
EDUCATION	272	2.81%	159	1.82%
FERTILIZER	207	2.14%	118	1.35%
HEALTH CARE	175	1.81%	143	1.63%
CONSTRUCTION	160	1.65%	101	1.15%
FINANCIAL INST. & INSURANCE	155	1.60%	124	1.41%
SUGAR ALLIED	139	1.44%	207	2.36%
OIL & GAS EXPLORATION	91	0.94%	54	0.62%
CEMENT	87	0.90%	84	0.96%
GLASS AND CERAMICS	54	0.56%	28	0.32%
PAPER AND BOARD	45	0.47%	60	0.68%
OTHERS	42	0.44%	27	0.31%
FUEL, POWER, AND ENERGY	26	0.26%	28	0.32%
LEATHER AND TENNARIES	15	0.16%	7	0.08%
Total Exposure	9,679	100.00%	8,722	100.00%

**Top 5 Sectors
As on June 30, 2020**



The background features abstract geometric shapes in various shades of green and brown. A prominent horizontal brown band spans the width of the page, containing the text 'WAY FORWARD' in yellow. The overall design is modern and clean.

WAY FORWARD

FUTURE BUSINESS STRATEGY AND WAY FORWARD

**Key focus
areas
of
2020-21**

Business Growth

**Rigorous follow-up for
Recoveries**

Cost Management

**High volumes of financing for profit
management due to low discount
rates**

**Enhance compliance culture in
order to avoid regulatory
penalties**

**Thank
You**





Question
&
Answer