



First Habib Modaraba

(An Islamic Financial Institution)
(Managed by: HabibMetro Modaraba Management)



FHM/PSX/1317/2025

October 01, 2025

The General Manager

Pakistan Stock Exchange Limited
Stock Exchange Building,
Stock Exchange Road,
Karachi.

SUBJECT: CORPORATE BRIEFING SESSION 2024-25

Dear Sir,

This is to inform you that the Corporate Briefing Session of First Habib Modaraba is scheduled to be held on Wednesday, October 08, 2025 at 3:30 p.m., at Institute of Cost and Management Accountants of Pakistan (ICMAP) Building, ST – 18/C, Block 6, Gulshan-e-Iqbal, Karachi, to brief the Certificate Holders/Analysts about the Modaraba's current financial performance and outlook.

Presentation of Corporate Briefing Session will be uploaded through PUCARS in due course.

You may please inform the members of the Exchange accordingly.

Thanking you,

Yours Truly,

Ayesha Rasheed
Company Secretary



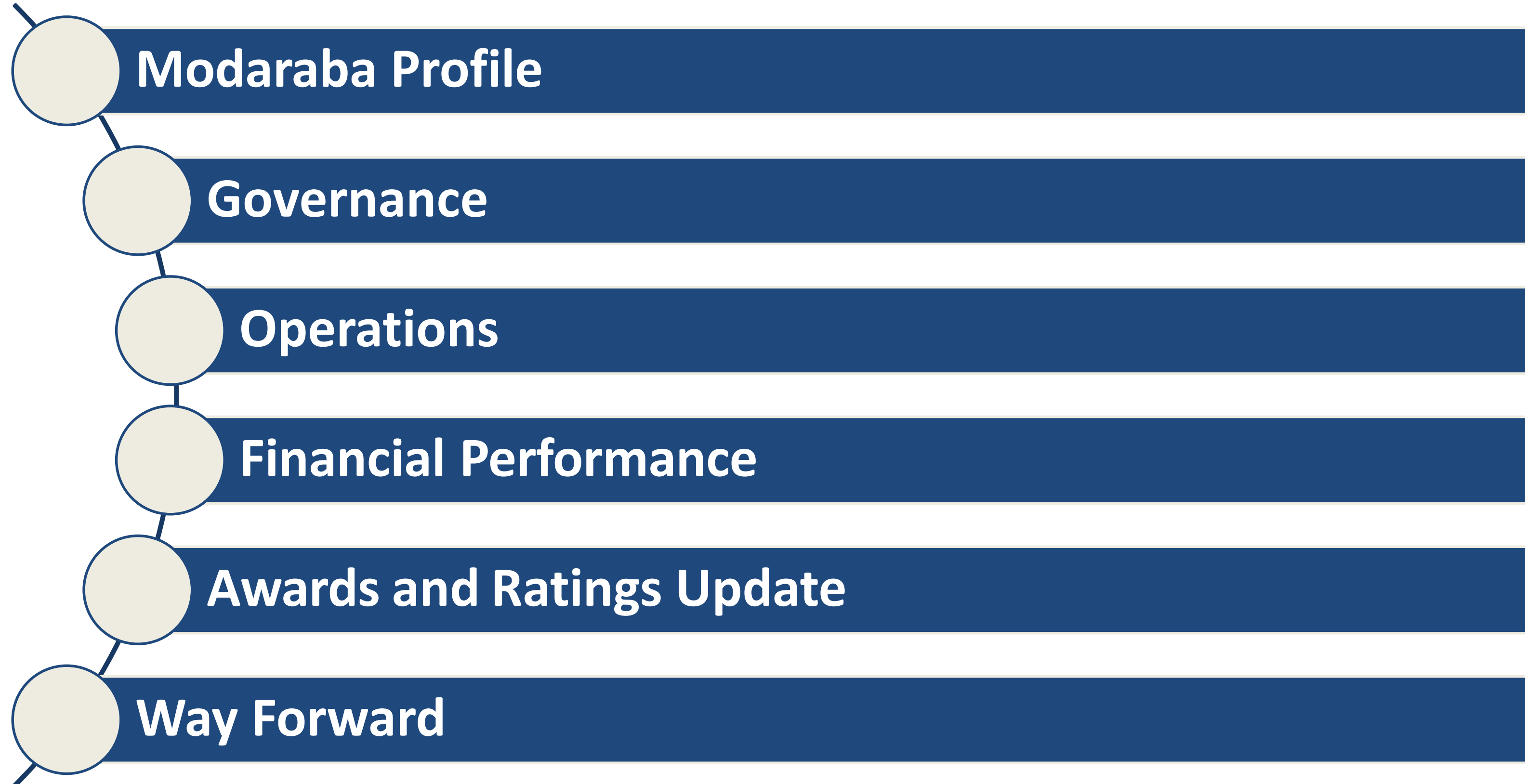
First Habib Modaraba (FHM)

Corporate Briefing Session 2024-25

Wednesday, October 08, 2025



Presentation Outline



Modaraba Profile

40
YEARS

Continuous
Journey of Success
1985-2025



Brief Profile of First Habib Modaraba

First Habib Modaraba (FHM) a subsidiary of Habib Metropolitan Bank, Limited, established in 1985, and has completed 40th years of successful business operation. Throughout FHM has maintained longstanding drive towards sustaining its position as leading Modaraba within NBFIs and Modaraba sector of Pakistan.

It is journey of 40 years of Dedication, Passion and Achievement through Legacy of Trust, Integrity and Innovation of First Habib Modaraba. Our commitment to excellence has enabled us to navigate challenges, seize opportunities, and achieve remarkable success. It is a testament to our institution's resilience and adaptability.

Our constant commitment for corporate excellence have not only kept us as leading Modaraba within the sector but also earned us recognition at national and international level. So far, FHM has secured several awards/accolades on best performance, best corporate report, best corporate disclosure and corporate excellence from reputable bodies, such as NBFIs and Modaraba Association, ICAP and ICMAP, Management Association of Pakistan, and SAFA an apex body of SAARC. Furthermore, since last 17 years FHM has been securing AA+ rating as long term rating from Pakistan Credit Rating Agency Ltd., (PACRA) which depict soundness of the entity and also matter of great satisfaction for our investors.

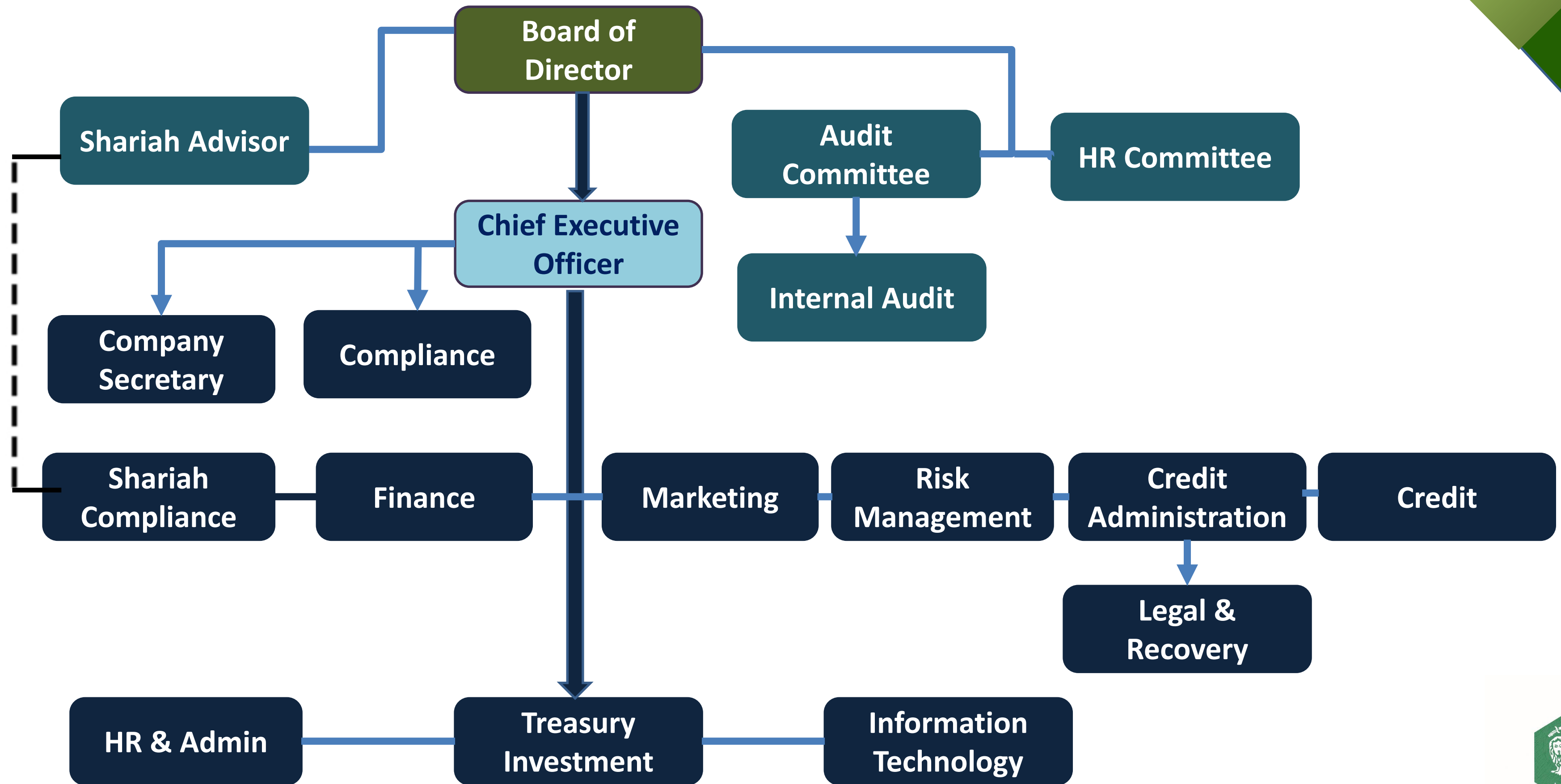
Alhamdulillah

**Four Decades
of Dedication,
Passion
and
Achievement**

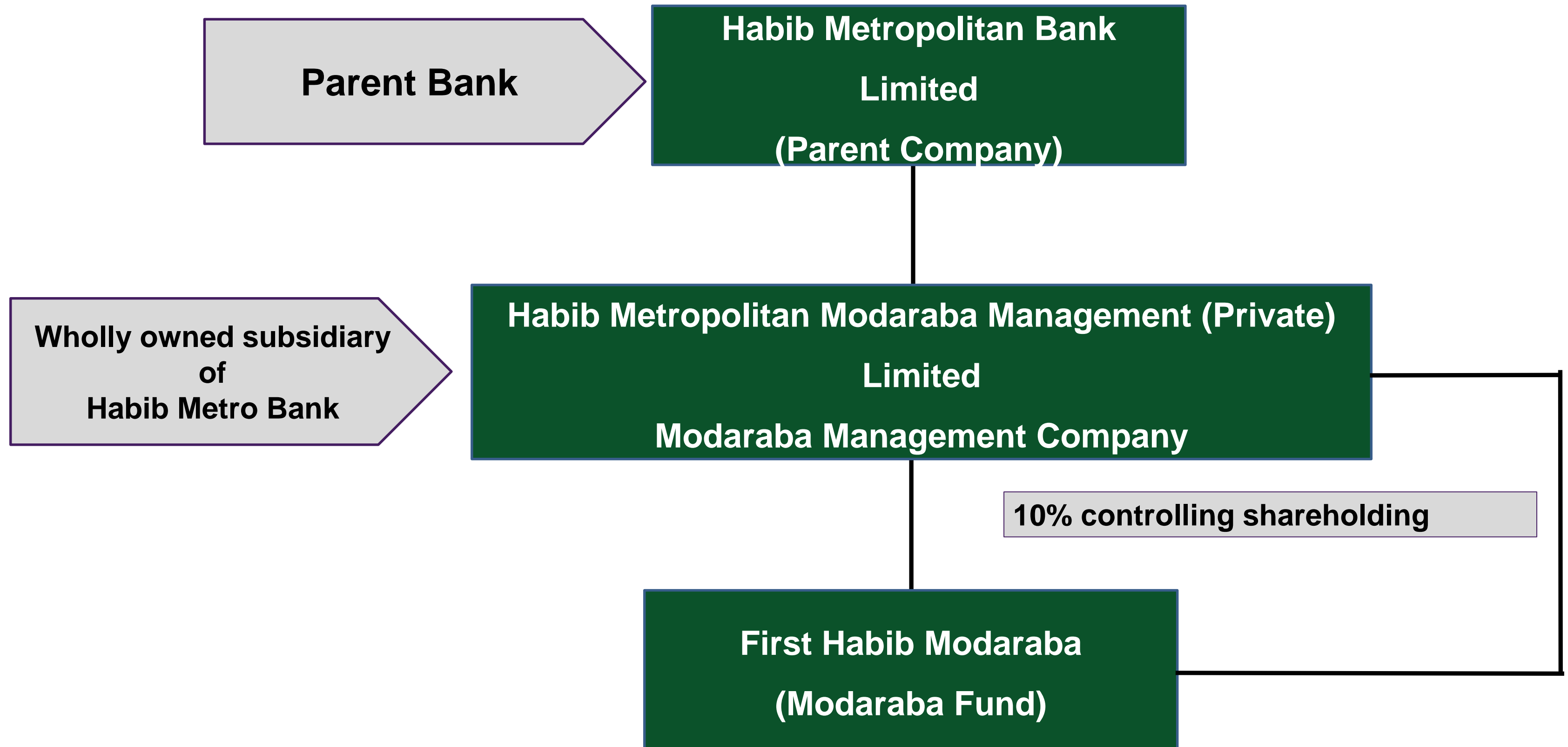


**Legacy of Trust,
Integrity,
Innovation and
Progress**

ORGANOGRAM



Group Structure





Governance



Continuous
Journey of Success
1985-2025



Board of Directors of Management Company

**Mr. Mohammad Shams
Izhar**

Chairman

Non-Executive Director

**Mr. Muhammad Shoaib
Ibrahim**

Chief Executive Officer

Executive Director

Mr. Saeed Uddin Khan

Non-Executive

Independent Director

Mr. Usman Nurul Abedin

Non-Executive Director

Dr. Irum Saba

Non-Executive Director

Mr. Syed Rasheed Akhtar

Non-Executive

Independent Director

Governance Structure

BOARD

Audit Committee

Human Resource &
Remuneration Committee

Strategy
Committee

Chief
Executive
Officer

Asset
Liability
Management
committee

Credit
Committee

Information
Technology
Steering
Committee

SWOT

S

Strengths

- Successful business journey of 4 decades
- Strong financial position and profitability
- Well respected and reputable brand within Non-Banking Islamic Financial Sector
- Sound equity base and high Capital Adequacy Ratio
- Subsidiary of one the well reputed and sound institution of Pakistan i.e., Habib Metropolitan Bank
- Leading Modaraba within the Modaraba sector
- Highest market shares within Modaraba sector
- Highest credit rating within Modaraba sector i.e., AA+ of long term.
- Prudent and Sustainable Business Policies
- Diversified financing portfolio with stable sectors of the country

W

Weaknesses

- Lack of availability of low cost funds
- Slow moving litigation processes
- Limited products of resource mobilization
- Shortage of human resources having specialized knowledge of Islamic banking

O

Opportunities

- Growing demand of Islamic finance products
- Increase credit demand due to low profit rates
- Huge potential in Shariah based financing within the SME sector
- Strong support of entire network of Habib Metro Bank
- Avenues for digital based advancement

T

Threats

- Rising operating cost
- Macro and micro instability
- Excessive taxation on businesses
- Economic uncertainty



Shariah Governance

Uphold Shariah governance culture and atmosphere in line with Islamic principles

**Shariah Advisor conduct
Shariah review and
present Shariah review
report on yearly basis.**

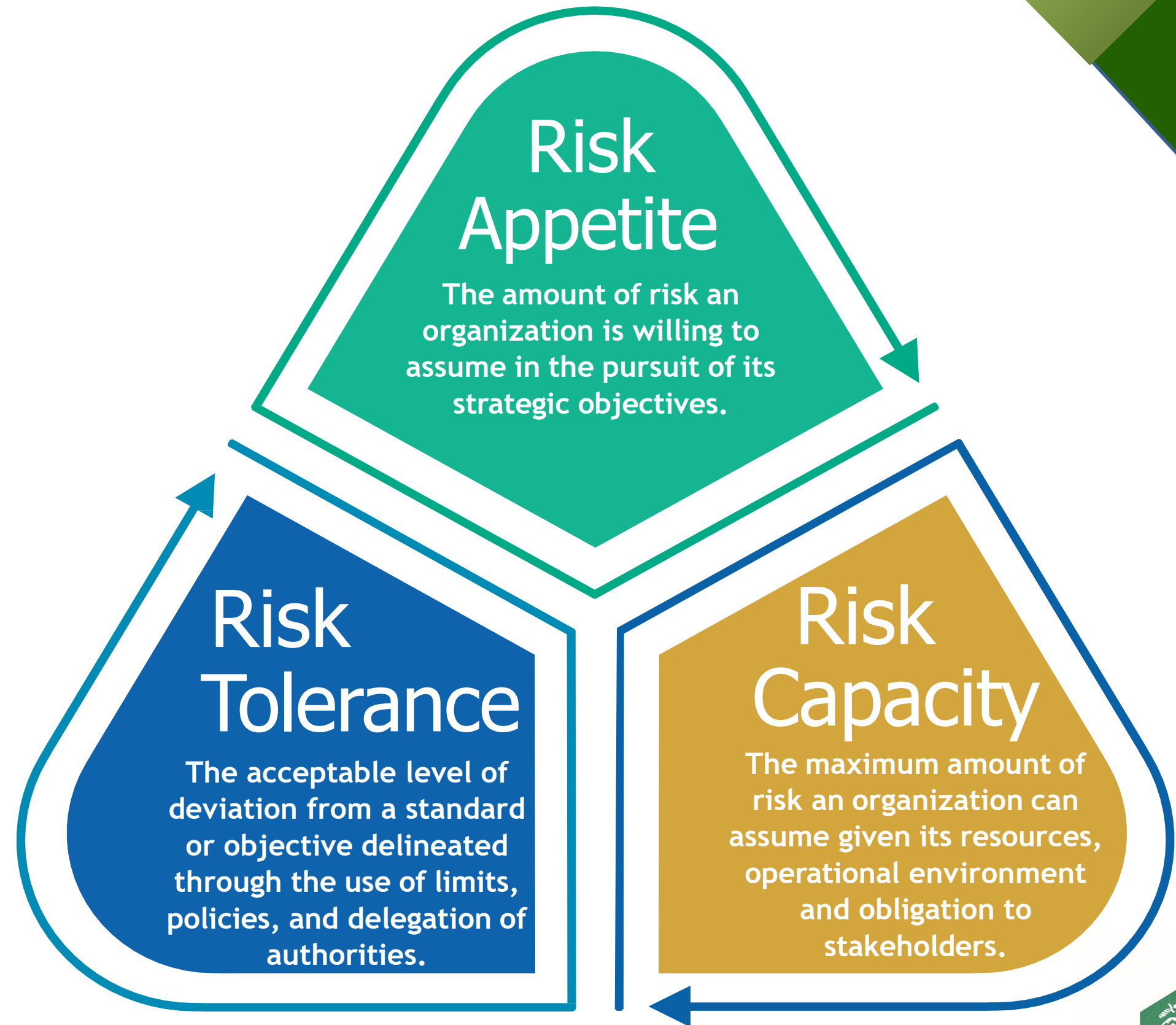
**During the year 2024-25,
the Shariah Compliance
Department conducted
six (6) training sessions
aimed at enhancing the
understanding and
application of Shariah
principles across various
departments of the
institution.**

**On the basis of Shariah
guidelines , Shariah
Auditor present its
findings to Shariah
Advisor and Board.**

**Legal agreements of
products were approved
by Securities and
Exchange Commission of
Pakistan (SECP)**

Risk Governance

The Management has established a clear and prudent Risk Appetite Statement to guide FHM strategic decisions and ensure long-term stability. This statement defines the maximum level of risk FHM is willing to undertake in pursuit of the objectives, consciously prioritizing resilience over aggressive growth.



Operations

YEARS

Continuous
Journey of Success
1985-2025

FHM PRODUCT



**DIMINISHING
MUSHARAKA**



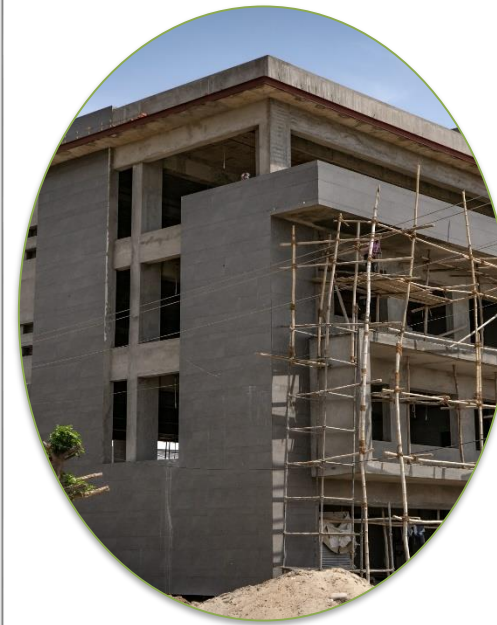
**CONSUMER
AUTO FINANCE**



MURABAHA



SALAM



ISTISNA



**CERTIFICATE OF
INVESTMENT
(MUSHARAKA)**

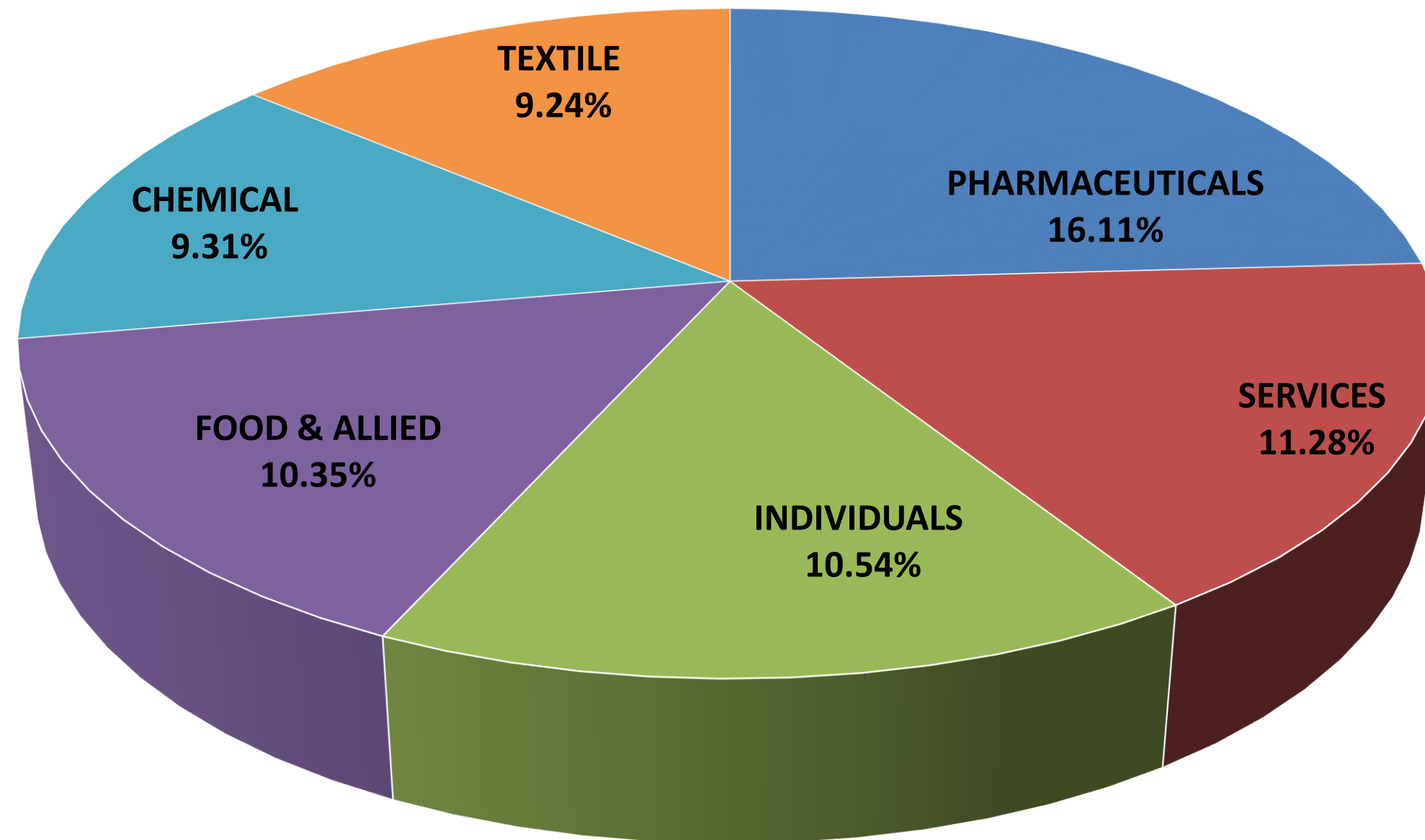


**HOUSE FINANCE
DIMINISHING
MUSHARAKA**



SECTOR ENGAGEMENTS

Top 6 Sectors
As on June 2025



■ PHARMACEUTICALS ■ SERVICES ■ INDIVIDUALS ■ FOOD & ALLIED ■ CHEMICAL ■ TEXTILE



Branch Offices

Karachi Branch:

3rd Floor, Al-Manzoor Building,
Dr. Ziauddin Ahmed Road. Karachi.

Tel : 021-32635949-51

Lahore Branch:

1st Floor, 5-Z Block, Phase III, Defence
Housing Authority, Lahore.

Tel : 042-35693074-76

Islamabad Branch:

Office No. 513, 5th Floor, ISE Towers,
Jinnah Avenue Blue Area, Islamabad.

Tel : 051-28994571-73

Multan Branch:

Mezzanine Floor, Abdali Tower, Abdali
Road, Multan.

Tel : 061-4500121-3

Staff Strength

Total staff strength as at June 30, 2025

88

Training During 2024-25



| Areas | No. of Trainings 2024-25 |
|-------------------------|--------------------------|
| Business Development | 5 |
| Credit & Operations | 7 |
| AML & Compliance | 7 |
| Shariah Compliance | 5 |
| Islamic Finance & Audit | 7 |
| SSD | 4 |
| Soft Skills Training | 5 |
| Grand Total | 40 |



Female Employee Ratio

- For the year 2024-25 is 22%

Financial Performance

40
YEARS

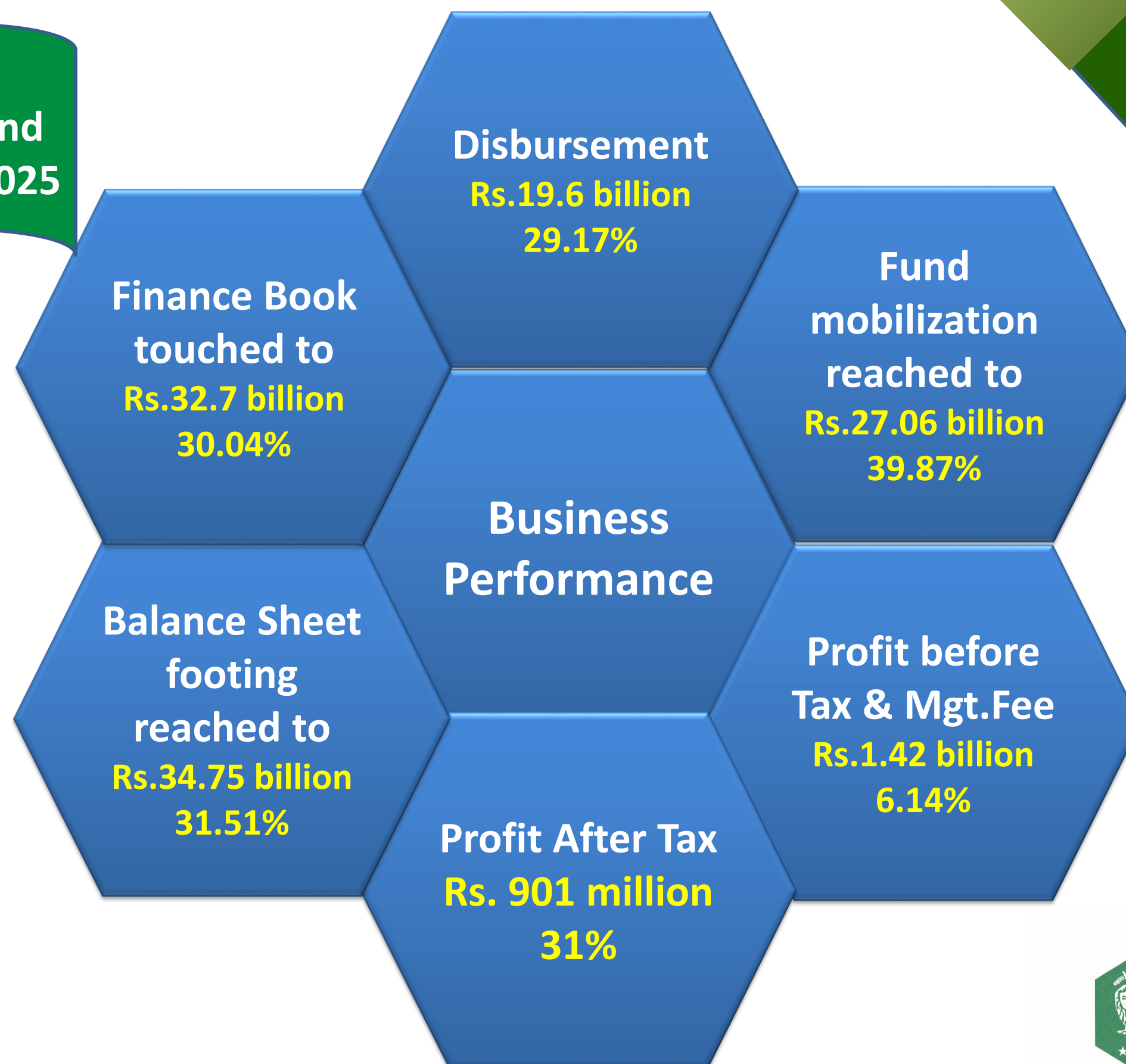
Continuous
Journey of Success
1985-2025

Financial Highlights For the Year 2024-25

Board Meeting conducted within 38 days for approval of Financial statements for the Year ended June 30, 2025

22.5% Cash Dividend declared for June 2025

- Profit before tax & management fee reached to Rs.1.42 billion highest since inception.
- Disbursement reached to Rs.19.6 billion highest in any year since business operations.
- All time high financing asset size of Rs.32.6 billion since business operations.
- First time Balance Sheet footing reached to around Rs.34.75 billion mark
- Fund mobilization through Deposits and fund lines reached to Rs.27.06 billion, again highest in any year since business operations.
- Profit after tax is Rs. 901 million highest since inception.



KEY FINANCIAL DATA COMPARING TWO YEARS

Rs. In millions

2025

2024

%

Balance Sheet footing

34,749

26,410

32%

Financing Assets

32,659

25,126

30%

Disbursement for the period

19,637

15,202

29%

Deposit / Borrowing

27,068

19,353

40%

Profit before Tax

1,245

1,181

5%

Profit after Tax

901

690

31%

**Earning Per Modaraba
Certificate (Rs.)**

8.13

6.23

31%



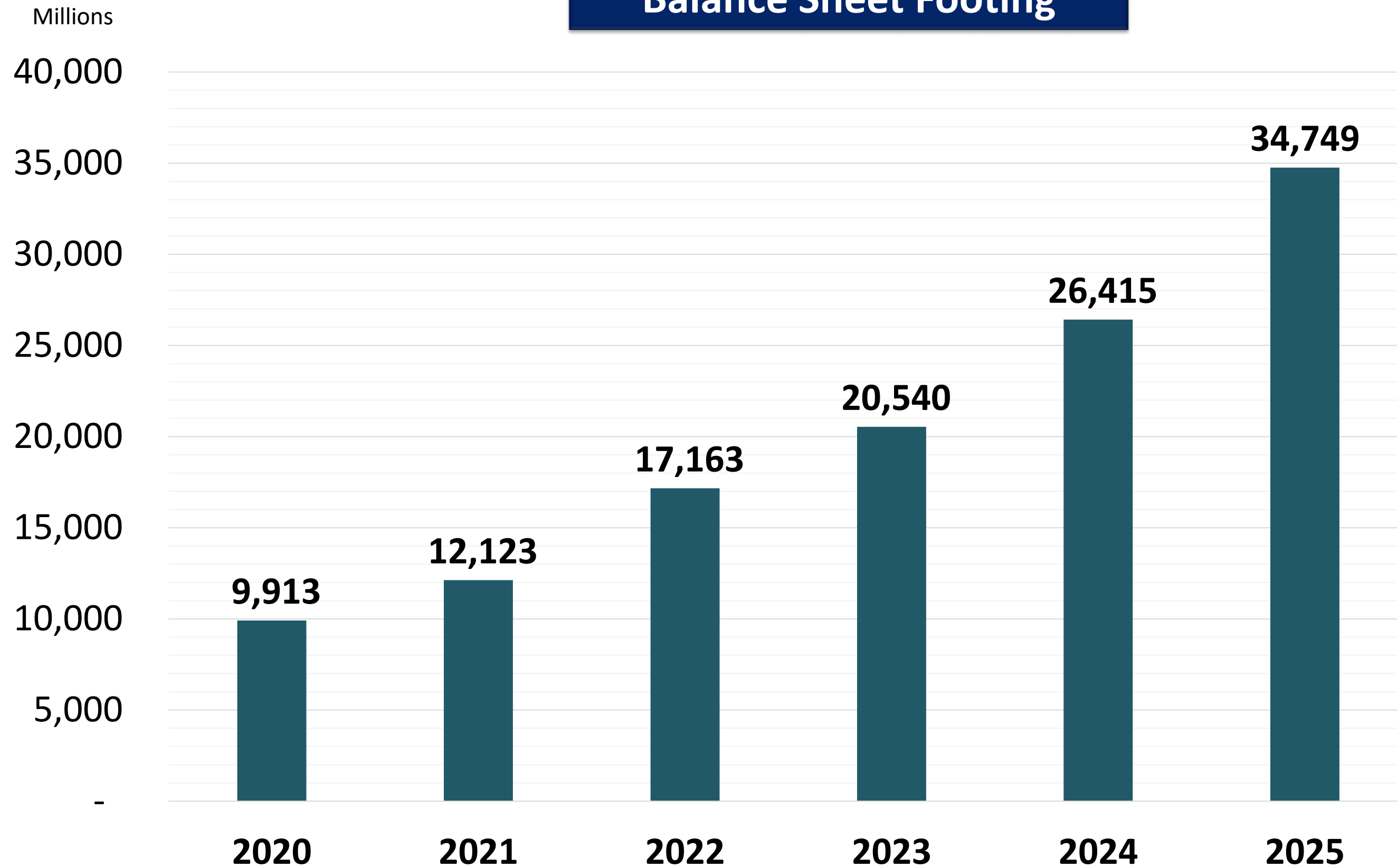
KEY FINANCIAL DATA FOR SIX YEARS

| <i>Rs. In millions</i> | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|------------------|-----------|-----------|-----------|-----------|----------|
| Total Assets | 34,749.38 | 26,409.93 | 20,539.86 | 17,162.82 | 12,122.53 | 9,913.06 |
| Diminishing Musharaka Financing Asset | 32,658.43 | 25,125.60 | 17,981.78 | 13,183.23 | 9,913.81 | 7,002.50 |
| Diminishing Musharaka Asset Disbursement | 19,637.23 | 15,202.18 | 10,781.69 | 11,088.56 | 6,531.04 | 3,042.89 |
| Current Assets | 13,268.44 | 9,792.76 | 8,211.97 | 8,257.25 | 4,987.87 | 3,839.71 |
| Current Liabilities | 28,949.44 | 21,284.87 | 15,906.40 | 13,151.20 | 8,153.14 | 6,025.45 |
| Total Liabilities | 28,965.31 | 21,300.99 | 15,926.06 | 13,185.80 | 8,294.19 | 6,279.50 |
| Paid-up Capital | 1,108.31 | 1,108.31 | 1,108.31 | 1,008.00 | 1,008.00 | 1,008.00 |
| Reserves | 4,630.59 | 3,966.12 | 3,499.57 | 2,959.52 | 2,619.07 | 2,538.68 |
| Certificate Holders' Equity | 5,738.89 | 5,074.43 | 4,607.88 | 3,967.52 | 3,627.07 | 3,546.68 |
| Gross Revenue | 4,971.82 | 5,191.48 | 3,435.47 | 1,562.77 | 1,545.15 | 2,201.31 |
| Income from Diminishing Musharaka Financing | 4,971.82 | 5,191.48 | 3,396.95 | 1,424.75 | 796.47 | 1,017.66 |
| Net Profit | 901.50 | 690.20 | 519.63 | 382.12 | 363.15 | 316.68 |
| Earning Per Certificate - Rs.10/- each | 8.13 | 6.23 | 4.68 | 3.45 | 3.28 | 2.86 |
| Cash Dividend | 22.50% | 21.00% | 20.00% | 20.00% | 28.00% | 28.00% |



GROWTH PATTERN OF LAST SIX YEARS

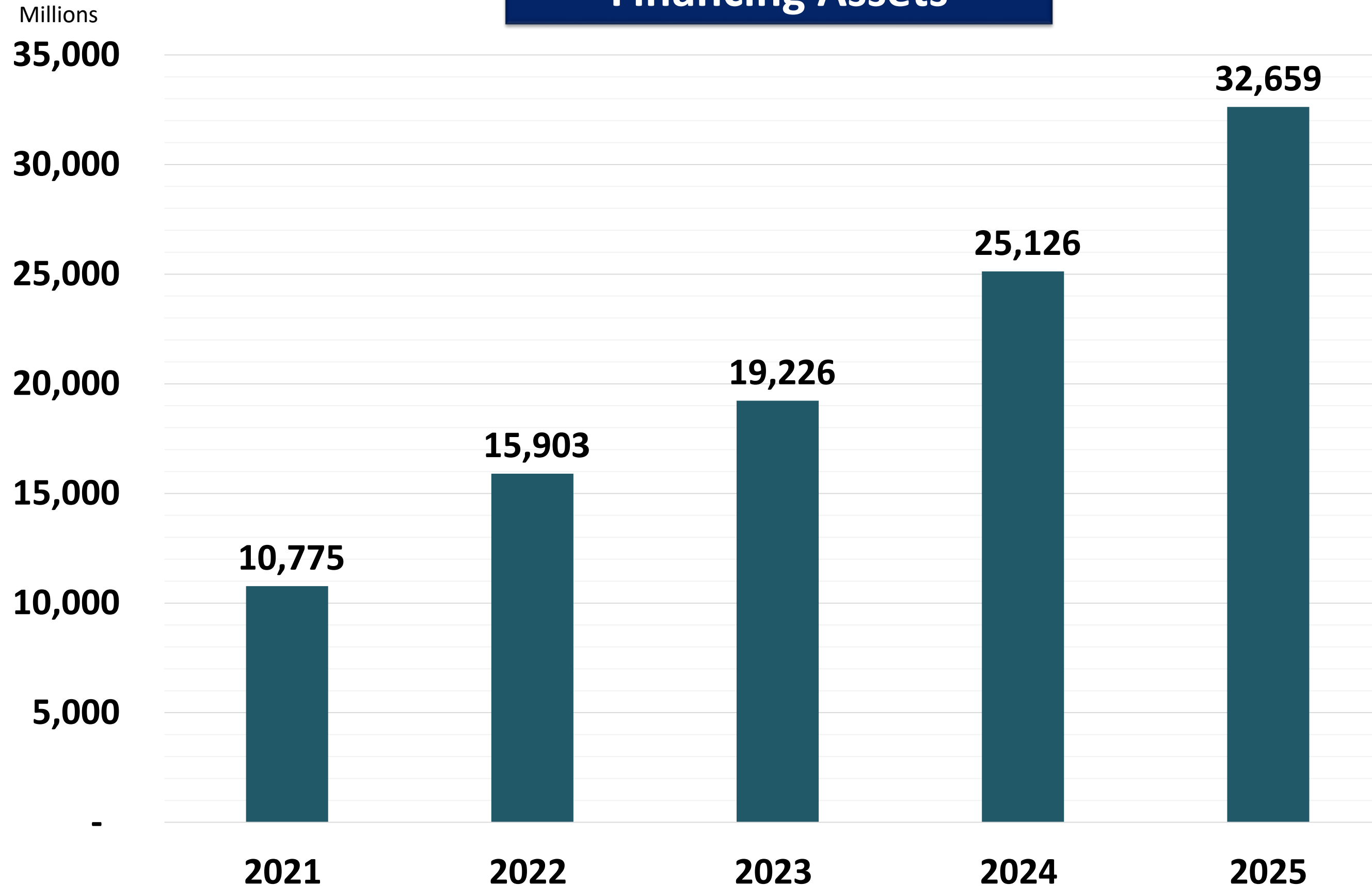
Balance Sheet Footing



**Balance Sheet
footing of
Rs.34.7 Billion
since business
operations.**

GROWTH PATTERN OF LAST SIX YEARS

Financing Assets

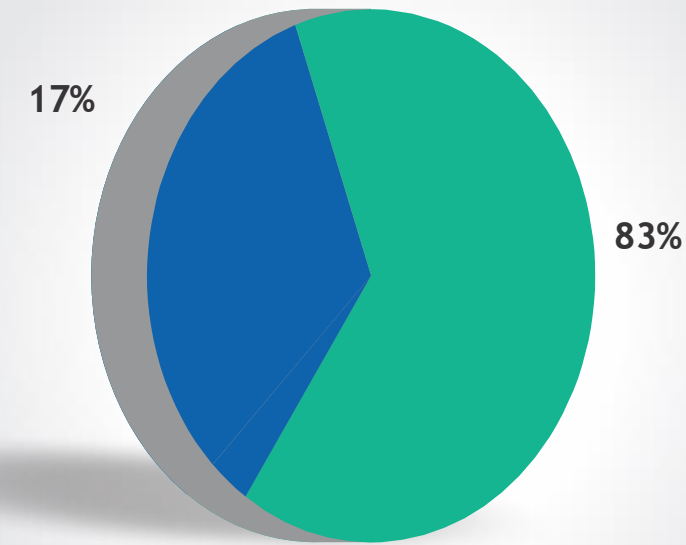


**All time High size
of Financing
Assets (net) i.e.
Rs.32.6 Billion
since business
operations.**

STATEMENT OF FINANCIAL POSITION COMPOSITION

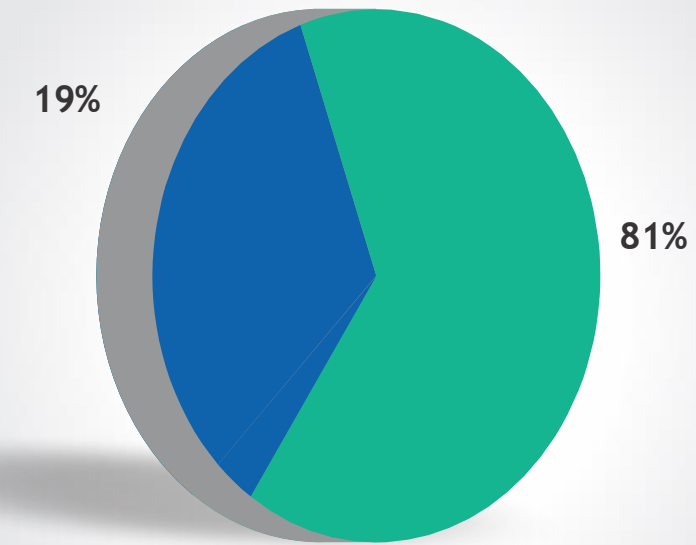
Equity & Liabilities

2025



■ Certificate Holders' Equity
■ Current Liabilities

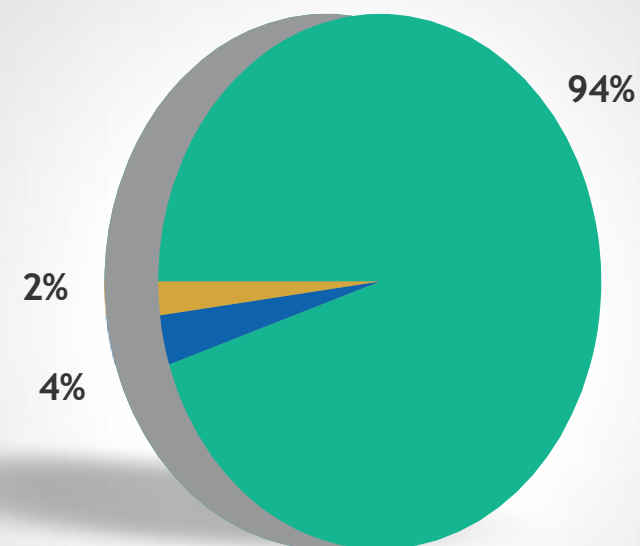
2024



■ Certificate Holders' Equity
■ Current Liabilities

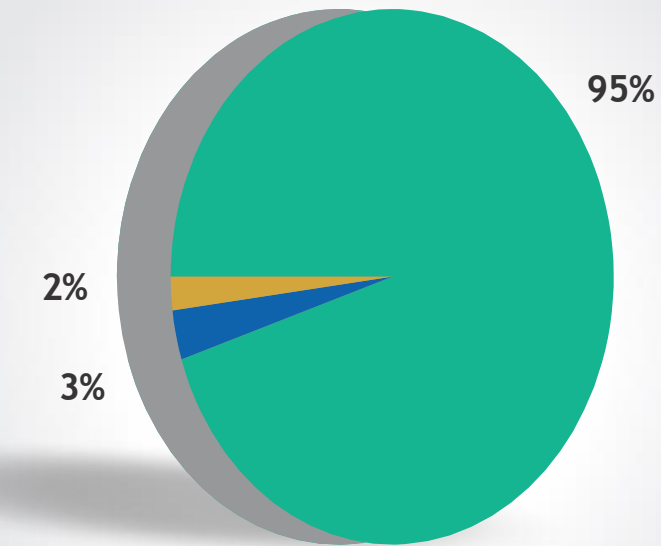
Assets

2025



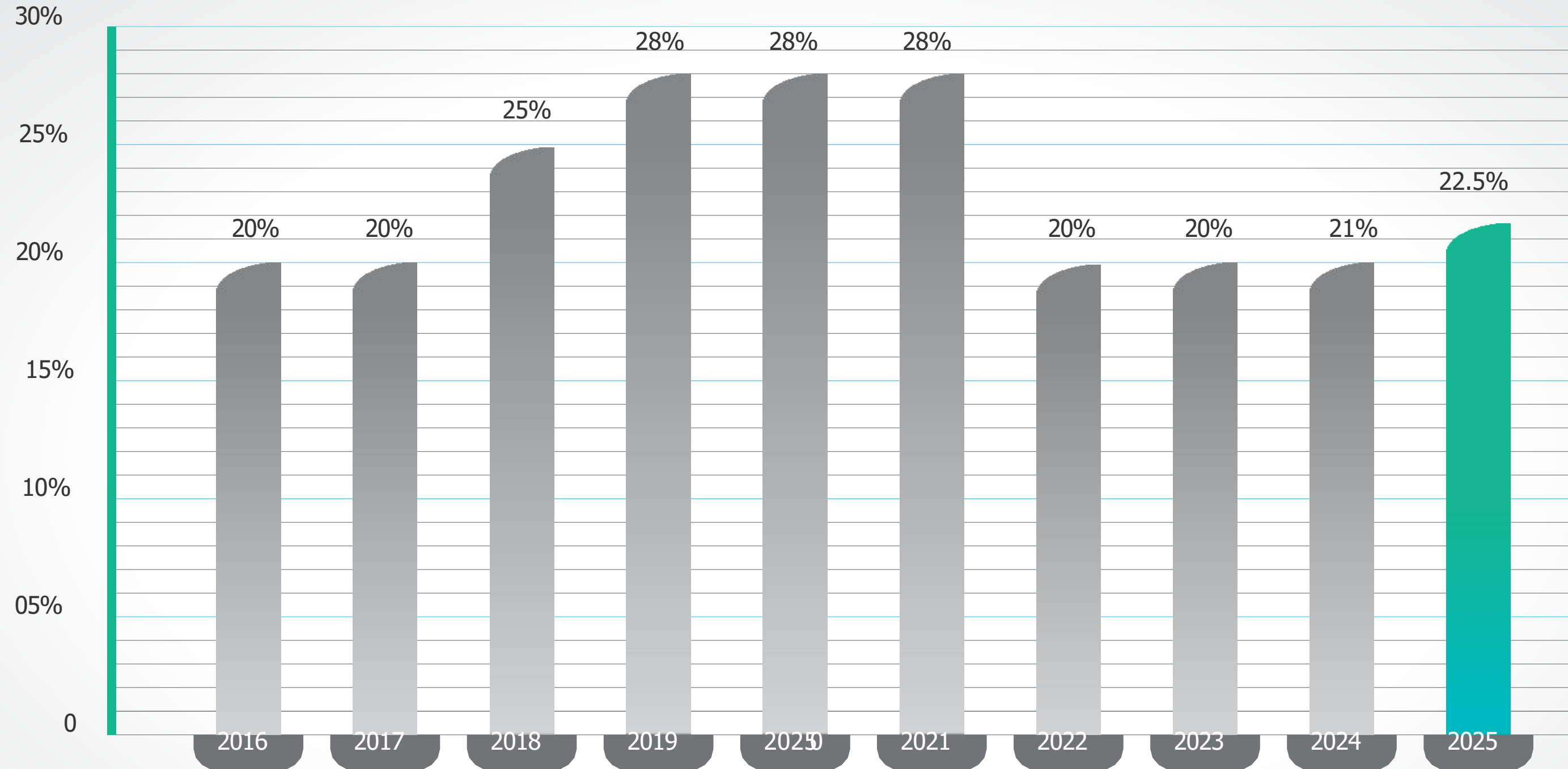
■ Financing Assets
■ Investments
■ Other Assets

2024



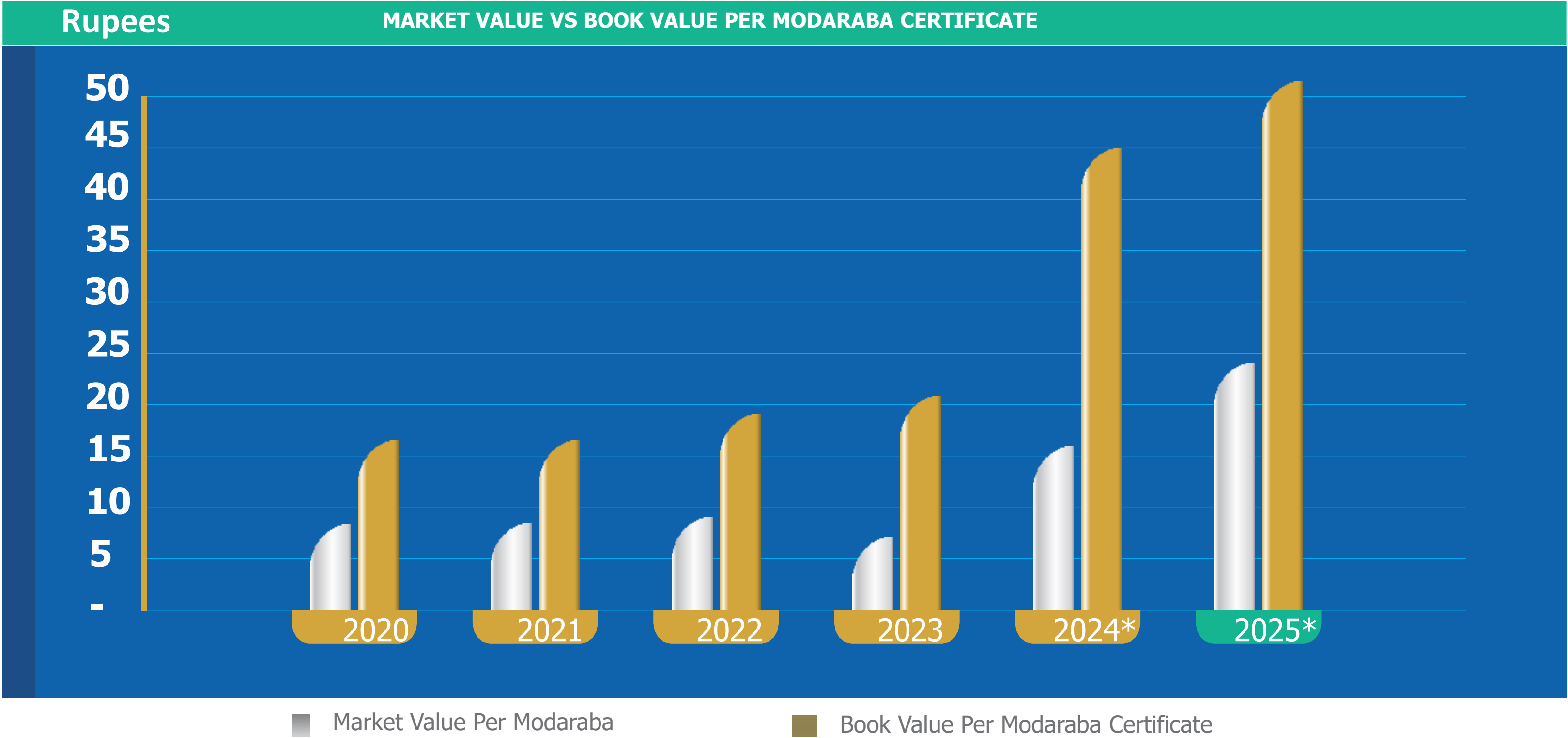
■ Financing Assets
■ Investments
■ Other Assets

LAST 10 YEARS AVERAGE DIVIDEND PAYMENT 23.25% PER ANNUM



40 YEARS OF UNBROKEN DIVIDEND PAYOUT
FHM NEVER SKIPPED DIVIDEND SINCE INCEPTION

MARKET VALUE VS BOOK VALUE PER MODARABA CERTIFICATE



•High increase was due to change in face of value of Modaraba Certificate from Rs.5/- to Rs.10/- from the year 2024.



Awards and Ratings Update

40
YEARS

Continuous
Journey of Success
1985-2025



Award received during the Year

BEST CORPORATE REPORT AWARD from ICAP & ICMAP

The joint Committee of the Institute of Chartered Accountant of Pakistan (ICAP) and Institute of Cost & Management Accountant Pakistan (ICMAP) has awarded “**2nd Position**” in “Best Corporate Report Award to First Habib Modaraba (FHM) on annual report of 2023 within the category of NBFIs and Mutual Funds on October 18, 2024.

Since last consecutive 15 years, FHM is securing best report award, recognizing our commitment to excellence in our field and out of 15 awards, so far FHM has secured 6 awards of First Position.



Corporate Excellence Award from the Management Association of Pakistan (MAP)

On 23th October, 2024, Management Association of Pakistan (MAP) has conferred “Certificate of Excellence” award to First Habib Modaraba (FHM) in Modaraba Sector. The recognition of Corporate Excellence Award from MAP acknowledges the strong commitment of FHM for promotion of best business practices, good governance and corporate excellence within FHM while maintaining financial discipline.



SAFA Certificate of Merit

Alhamdulillah, this year again, First Habib Modaraba has received Certificate of Merit for the “Best Presented Annual Report Awards 2023” by South Asian Federation of Accountants (SAFA) within the countries at SAARC level and in the category of Financial Services Sector. The award was conferred in a ceremony held in Colombo, Sri Lanka on 11 November 2024.



“Best Performing Modaraba Award” Of NBFi & Modaraba Association of Pakistan

First Habib Modaraba has received 2nd Position “Best Performing Modaraba Award” from NBFi and Modaraba Association of Pakistan. The award ceremony was held on May 27, 2025. First Habib Modaraba (FHM) meets the said criteria every year since last several years. So far FHM has received 24 awards as “Best Performing Modaraba Award” within last 25 years from above association.



LAST 5 YEARS ACKNOWLEDGMENTS



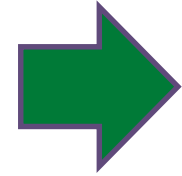
Wednesday, October 08, 2025

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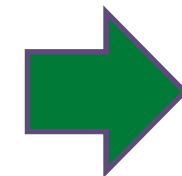
FIRST HABIB MODARABA
Overall Awards
Pakistan & International Recognitions

Best Performing Modaraba
NBFI & Modaraba Association Pakistan



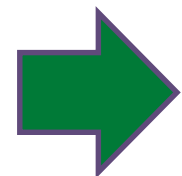
24 Awards

Best Corporate Report
ICAP & ICMAP



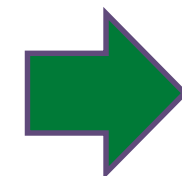
15 Awards

Corporate Excellence
Management Association of Pakistan



15 Awards

**Best Presented Accounts
& Disclosure**
SAFA an apex body of SAARC



15 Awards

Other Awards

Pakistan Observer
Best Modaraba Management Award

**Federation of Pakistan
Chambers of Commerce &
Industry (FPCCI)**

3 Achievement Awards
1st Position Gold Medal

Islamic Retail Bank Award
Dubai

**Award for best Islamic Retail
Investment Product**

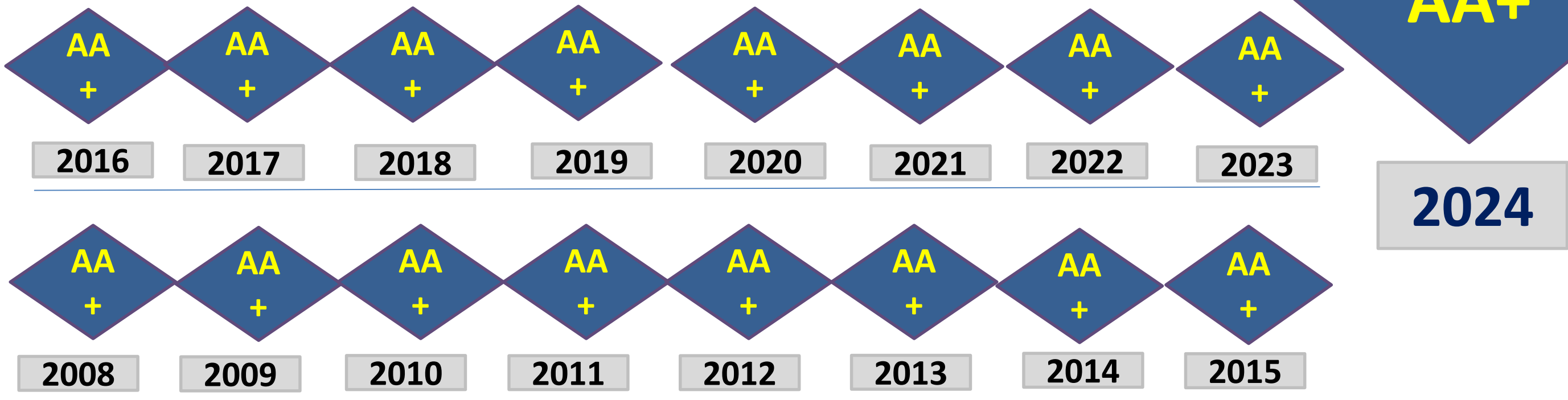
COMSATS
2 Awards Best Islamic NBFC Award

CREDIT RATINGS
Assigned by Pakistan Credit Agency Ltd. (PACRA)

AA+
Long Term

A1+
Short Term

**AA+ Credit
Rating since
last 17 years**



Way Forward

40
YEARS

Continuous
Journey of Success
1985-2025



2025-26

**FOCUS
AREA**

**Business
Expansion**

**Further
Increase
Market Share**

**Excellent
System
Support**

**Strengthen
Shariah
Governance**

**Strengthen
Internal
Control**

**Strong Risk
Management
Function**

**Robust
Compliance
Culture**

**Further
Strengthening
Credit Quality**



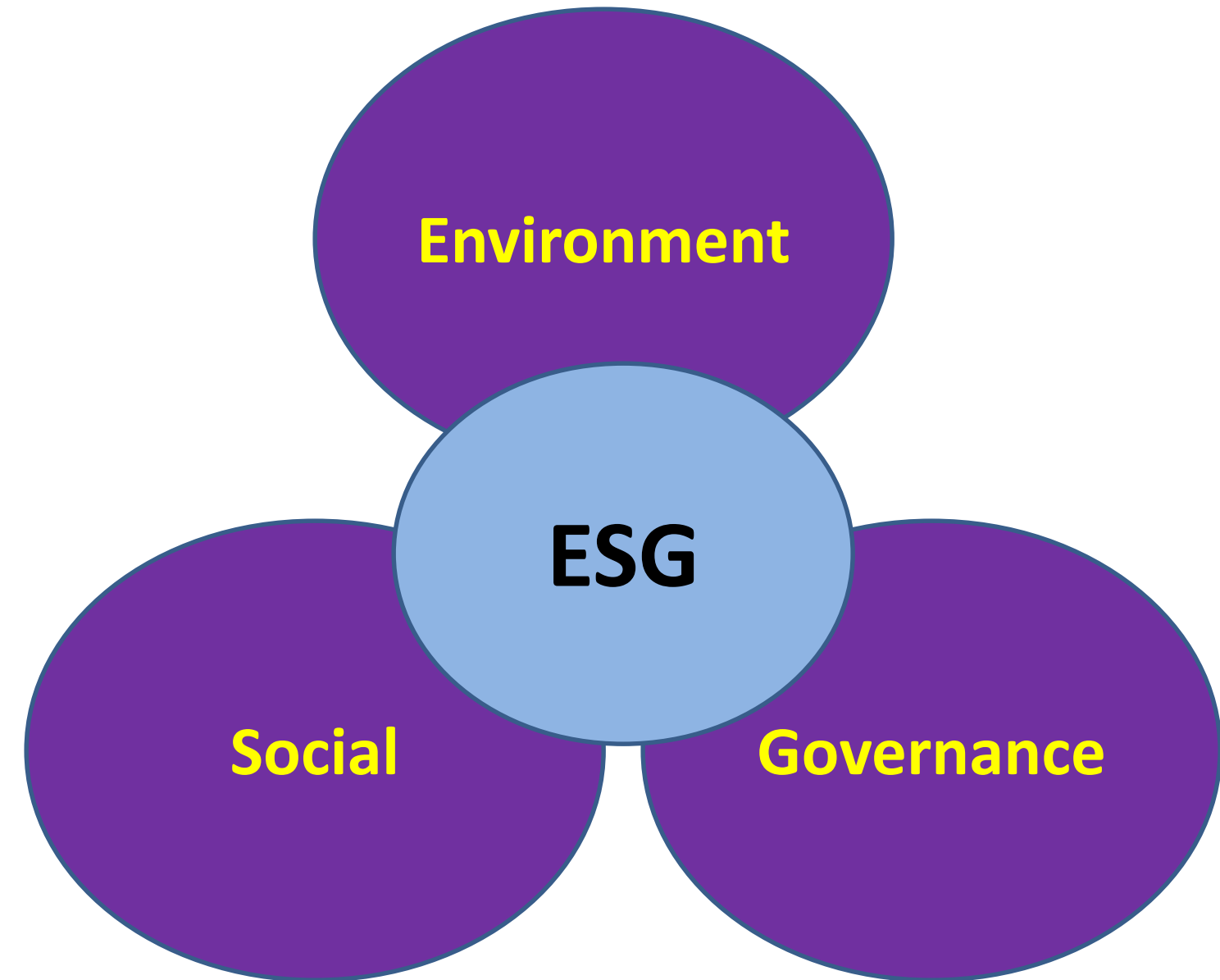
Enhancing CSR activities for Community Through Various Support Program

Our ESG approach and Sustainability Initiatives

Besides, financial soundness and high performance of the entity, our commitment to Environmental, Social, and Governance (ESG) principles remains our core objective and strategic priority.

These strategic commitments reflect our determination to remain a reputable and responsible corporate entity, encourage to deliver meaningful impact across financial sector of Pakistan for environment protection, social engagement and good governance.

The same will be followed in future with more rigour and dedication



Q & A Session

40
YEARS

Continuous
Journey of Success
1985-2025



Wednesday, October 08, 2025

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THANK YOU