



First National Bank Modaraba

(An Islamic Financial Institution)

Managed By: National Bank Modaraba Management Company Limited

(A subsidiary of National Bank of Pakistan)

The General Manager,
Pakistan Stock Exchange Limited,
Stock Exchange Road,
Karachi.

October 22, 2024

Corporate Briefing Session

Dear Sir,

This is to inform you that Corporate Briefing Session (CBS) of First National Bank Modaraba will be held on Monday, October 28, 2024 at 12:00 pm at First Floor, NBP, Regional Head Quarters Building, 26 McLegon Road, Lahore to brief the certificate holders and analysts about historic and current financial performance upto June 30, 2024. Presentation of CBS has been attached.

Furthermore, to attend the CBS virtually (through video link facility), participants can join the session through following video link:

Topic: Corporate Briefing Session

Time: Oct 28, 2024 12:00 PM

Join Zoom Meeting

<https://us05web.zoom.us/j/83411676144?pwd=c2hFHrb5WStjxgWlf3bnU79a2OdbO5.1>

Meeting ID: 834 1167 6144

Passcode: QWa55D

You may please inform members of the Exchange accordingly.

Yours Sincerely,


Nadia Jalil
Company Secretary(A)

FIRST NATIONAL BANK MODARABA

(Managed by National Bank Modaraba
Management Company Limited)

CORPORATE BRIEFING SESSION
FOR THE YEAR ENDED JUNE 30, 2024

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Profile of First National Bank Modaraba

- ▶ First National Bank Modaraba is a multipurpose, perpetual and multi-dimensional Modaraba formed under the Modaraba Companies and Modaraba(Floatation and Control) Ordinance, 1980 and Rules framed there under. The Modaraba is managed by National Bank Modaraba Management Company Limited (a wholly owned subsidiary of the National Bank of Pakistan), incorporated in Pakistan under the repealed Companies Ordinance 1984(now the Companies Act 2017) and registered with the Registrar of Modaraba Companies. The registered office of the Modaraba is situated at Ground Floor, National Bank of Pakistan, Regional Headquarters Building, 26 Mclagon Road Lahore.
- ▶ The Modaraba commenced its operations on 4 December 2003. It is listed on Pakistan Stock Exchange Limited (PSX).
- ▶ The Modaraba is engaged in various Islamic modes of financing and operations including ijarah, musharaka and murabaha arrangements

Corporate Profile

Management Company	National Bank Modaraba Management Company Limited
Board of Directors	Mr. Muhammad Imran Malik -Chairman Mr. Fouad Farrukh-Director Khawaja Waheed Raza-Director Mr. Hakim Ali Leghari-Director Syed Zubair Ahmed Shah-Director
Shariah Advisor	Mufti Ehsan Waquar Ahmed
Auditors	Rahman Sarfaraz Rahim Iqbal Rafiq Chartered Accountants
Share Registrar	Hameed Majeed Associates (Pvt.) Limited

Financial Performance at a Glance

	Year Ended June 30, 2024	Year Ended June 30, 2023	Year Ended June 30, 2022	Year Ended June 30, 2021	Year Ended June 30, 2020
Balance Sheet Size	402,506,342	305,951,556	265,717,697	239,158,238	238,951,705
Total Equity	(20,844,996)	(55,578,783)	(58,111,902)	(62,095,159)	(63,161,052)
Total Operating & Other Income	115,935,683	64,180,616	53,454,288	49,834,268	23,351,818
Operating & Financial Exp.	62,822,606	52,824,636	39,999,887	33,827,265	54,403,262
Modaraba Co.'s Management Fee	4,875,761	560,137	356,446	151,674	Nil
Net profit after tax	34,759,419	4,100,537	2,609,400	1,110,342	(34,071,784)
Earning per certificate (Rs.)	1.39	0.16	0.10	0.04	(1.36)
Return on Assets (%)	9.81%	1.43%	1.03%	0.46%	(14.28)
Dividend Paid (%)	Nil	Nil	Nil	Nil	Nil
Breakup value per certificate (Rs.)	(0.83)	(2.22)	(2.32)	(2.48)	(2.52)

Economic & Sector Outlook

- ▶ The financial year 2023-24, was marked with wide swinging uncertain political scenario.
- ▶ However, drop in SBP policy rates and gradually easing out the import and currency restrictions is paving the way for growth in businesses as well as the financial sectors.
- ▶ During FY 2024, Pakistan's economy registered moderate recovery reflected by a GDP growth of 2.38 percent against previous year's contraction of 0.21 percent. The fiscal sector progressed towards stability, propelled by consolidation efforts and targeted reforms.
- ▶ With reduction in SBP policy rates and the changing economic environments, the Modaraba sector can also advantageously position itself using its Islamic image and doing innovations in Islamic financial products.

Future Outlook

- ▶ One of the main tasks ahead for the Modaraba is to recover its NPLs. All of the recovery suits filed against defaulter parties have been decreed by the honorable Banking Courts in favor of the Modaraba and their execution proceedings are underway.
- ▶ Besides litigations, settlements/restructurings on favorable terms are also being negotiated with the defaulter clients. With the help of parent bank NBP, the Modaraba is expecting to recover substantial portion of its accumulated losses that were mainly incurred due to charge of provisioning on NPLs, and hence become compliant with the applicable laws/regulations regarding equity.
- ▶ Different options for revival of Modaraba are under consideration of the Board and most suitable option would be opted in the best interest of the stakeholders when overall economic conditions improve.