



OLP MODARABA  
(Formerly ORIX Modaraba)

December 06, 2024

OLPM/SEC/2024/12/01

The General Manager  
Pakistan Stock Exchange Limited  
Stock Exchange Building  
Karachi.

Dear Sir,

SUB: OLP MODARABA  
MANDATORY CORPORATE BRIEFING SESSION-CBS

We would like to inform you that OLP Modaraba in accordance with Pakistan Stock Exchange notification PSX/N-92 dated January 28, 2019, have planned to conduct the Corporate Briefing Session for the year ended June 30, 2024, on Wednesday, December 11, 2024, at 11:00 AM online via Zoom Link.

Please note that we have established video link for the above CBS, therefore, interested participants can also join the briefing session via below provided ZOOM video link and password.

Link //us06web.zoom.us/j/81615635847?pwd=ORNPb9CfPWESb1J1la5BbJXApMUVpj.1  
Meeting ID: 816 1563 5847  
Passcode: G#olpM23\$

We have also attached CBS presentation MANDATORY CORPORATE BRIEFING SESSION-CBS with the letter and have also uploaded the same in the investor relation section of the Modaraba website i.e. [www.olpmodaraba.com](http://www.olpmodaraba.com).

You may please inform the member of the Exchange accordingly.

Your faithfully,

Raheel Qamar Ahmad  
Managing Director/  
Chief Executive Officer



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Tel: (051) 282 4232



**OLP Modaraba**  
(Formerly ORIX Modaraba)



**Islamic Answers,  
Custom Fit.**

**Corporate Briefing  
December 11, 2024**

# Corporate Briefing

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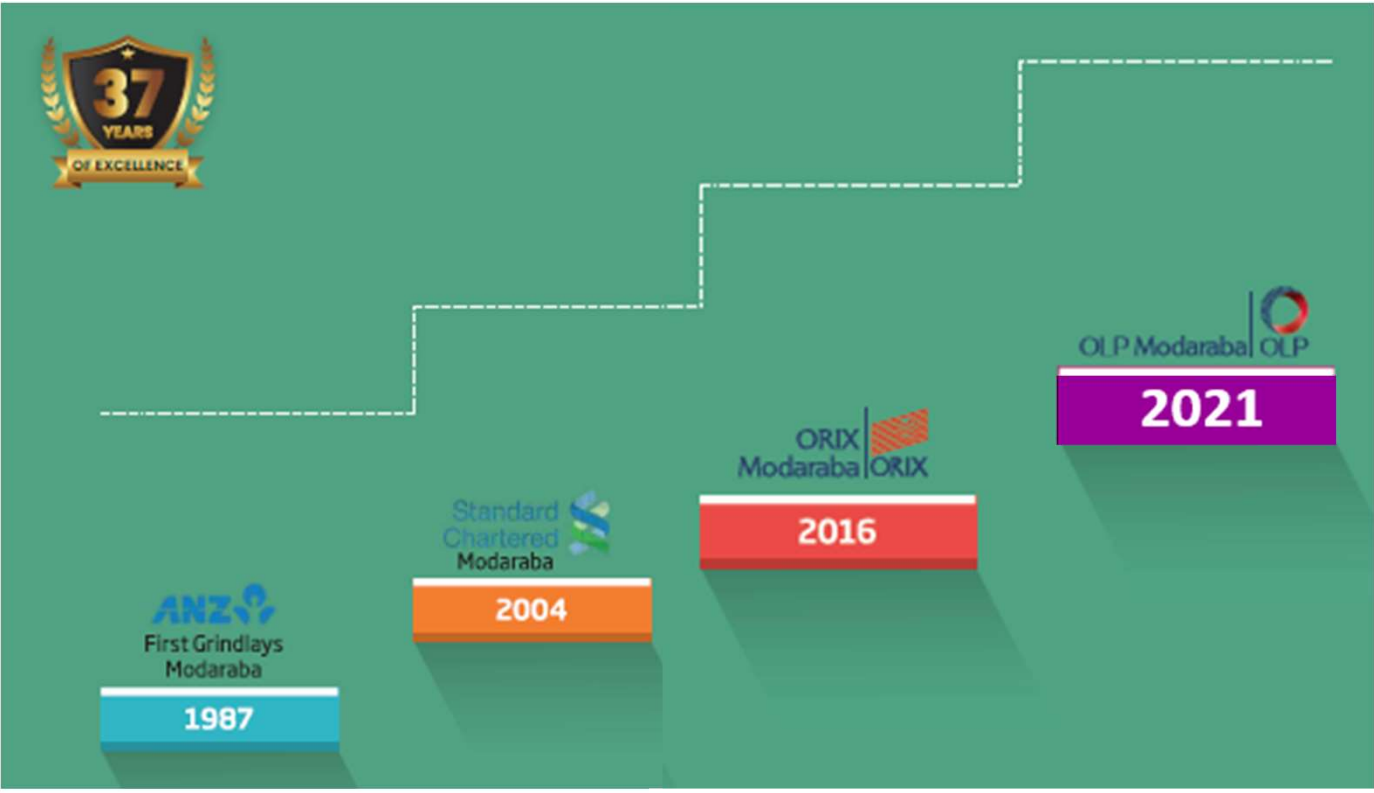
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Future Prospects

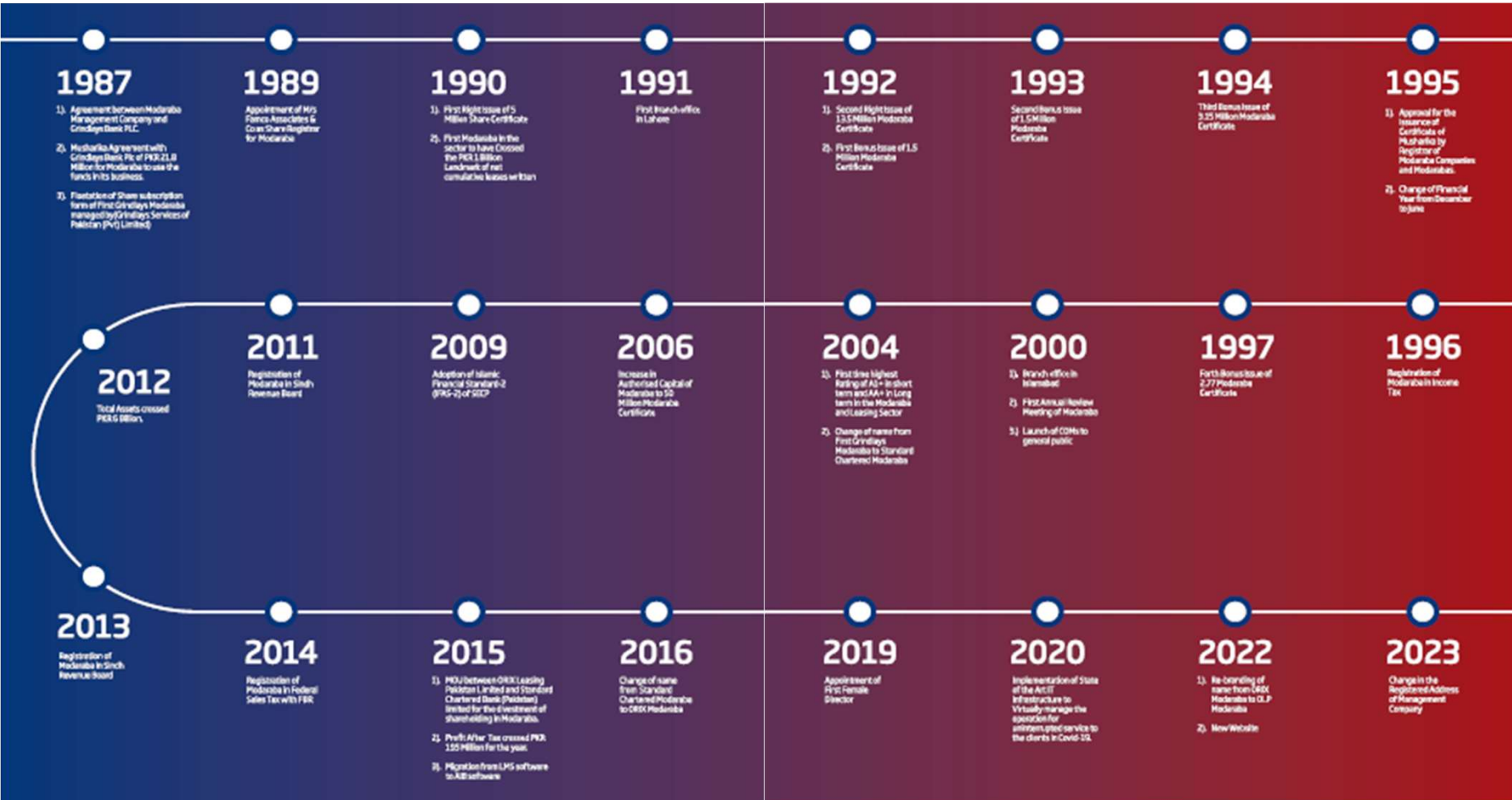


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## Modaraba Profile



# Land Marks





## **OLP Modaraba (Formerly ORIX Modaraba)**

- **OLP Modaraba (OLPM) was incorporated in May 1987 as First Grindlays Modaraba and started operation in August 1987.**
- **In 2000, Standard Chartered Bank acquired the ANZ Grindlays so name of Modaraba was changed to Standard Chartered Modaraba (SCM).**
- **In 2016, ORIX Leasing acquired SCM consequently name was changed to ORIX Modaraba**
- **Subsequently in the year 2021 name of the Modaraba was changed to OLP Modaraba due to ORIX Group initiative to rebrand ORIX Group in Pakistan.**
- **OLP Modaraba is one of the pioneers of Modern Islamic Financial Institutions of the country.**
- **Welcomed by the investors. Record over subscription (14 times) by general public of PKR. 1 Billion against offer of PKR 72 million of Certificates of Modaraba. This was the highest amount received in the history of Pakistan's Stock Exchange at that time.**
- **Pakistan Burma Shell, Pakistan State Oil and Seimens were our first customers.**

**Management Company**  
**OLP Services Pakistan (Private) Limited**

**Shari'ah Advisor**  
**Mufti Faisal Ahmad**  
*Annual Shari'ah Audit Report is  
now part of Annual Accounts.*

### **CREDIT RATING**

*Successfully maintained credit rating AA  
(Long Term) and A1+ (Short Term) assigned  
by Pakistan Credit Rating.*



(The Pakistan Credit Rating Agency Limited (PACRA))



# Awards & Achievements







## Awards & Achievements

**1) Best Corporate Excellence Award in Modaraba Sector**

Management Association of Pakistan

**2) Business Practices (Employee Volunteer Programme)**

Corporate Social Responsibility Summit & Award

**3) Support for Healthcare Organizations**

International Award on Environmental, Health & Safety

**4) Collaboration & Partnership (CSR Event & Fund Raising)**

Corporate Social Responsibility Summit & Award

**5) Corporate Social Responsibility Award**

The Federation of Pakistan Chamber of Commerce & Industry

# OLP Modaraba

## Staff Strength

- Total staff strength as at June 30, 2024 is 52 (Permanent – 41, Contractual 11)

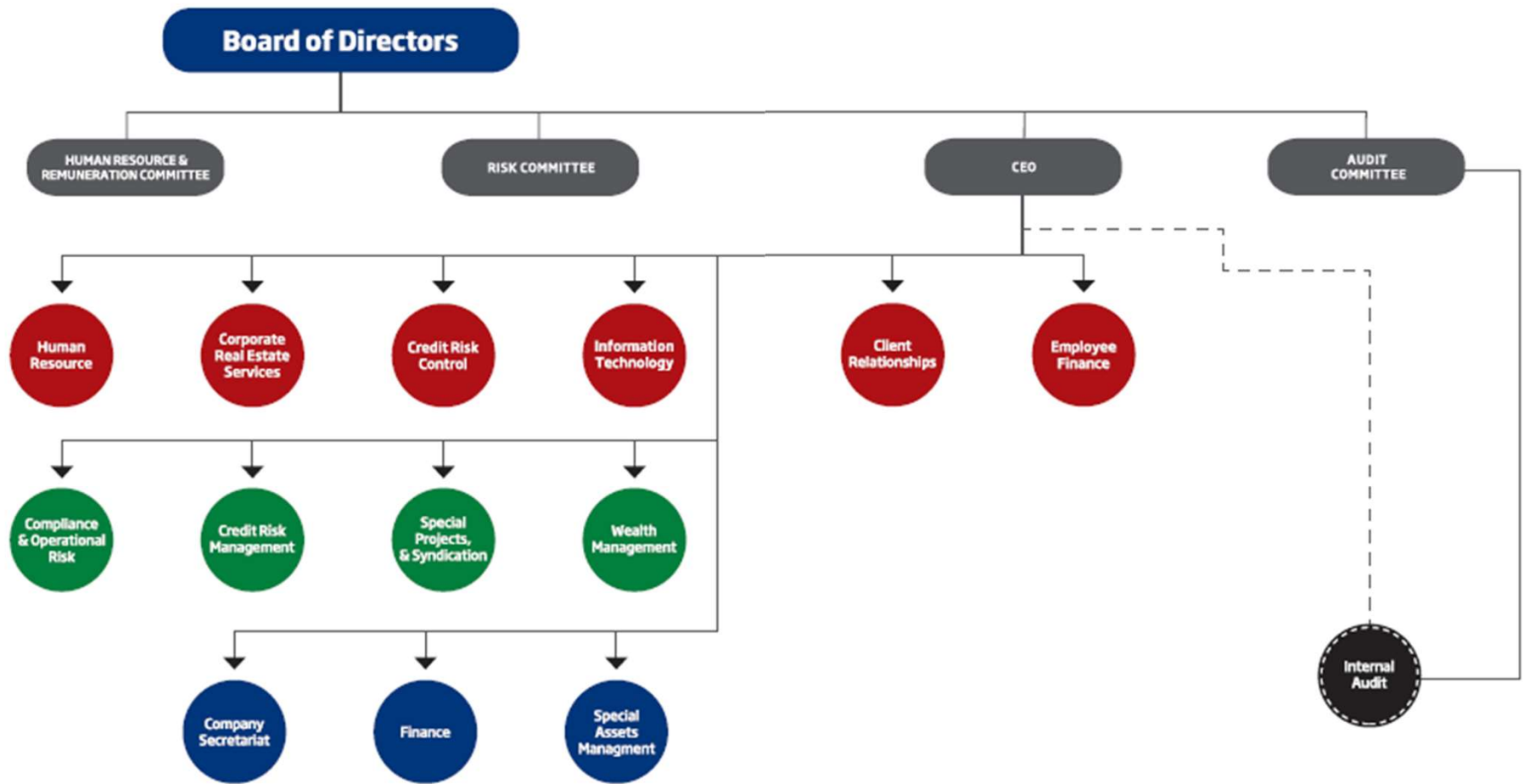
## Quality of staff

- This provided an excellent training for senior staff who later were prominent in public and corporate sector and SCB Group.

## Alumni

- Persons associated with Modaraba subsequently served the community in different senior positions including SECP Chairman, COO, Chief Risk Officer, and Head of Treasury at various banks. Regional heads of SCB group and executive positions of different national and multinational companies.

## OLPM Organogram





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## Governance

## Board of Directors of Management Company

**Mr. Naveed Kamran Baloch**  
Chairman and Independent Non executive Director

**Mr. Raheel Qamar Ahmad**  
Chief Executive Officer and Executive Director

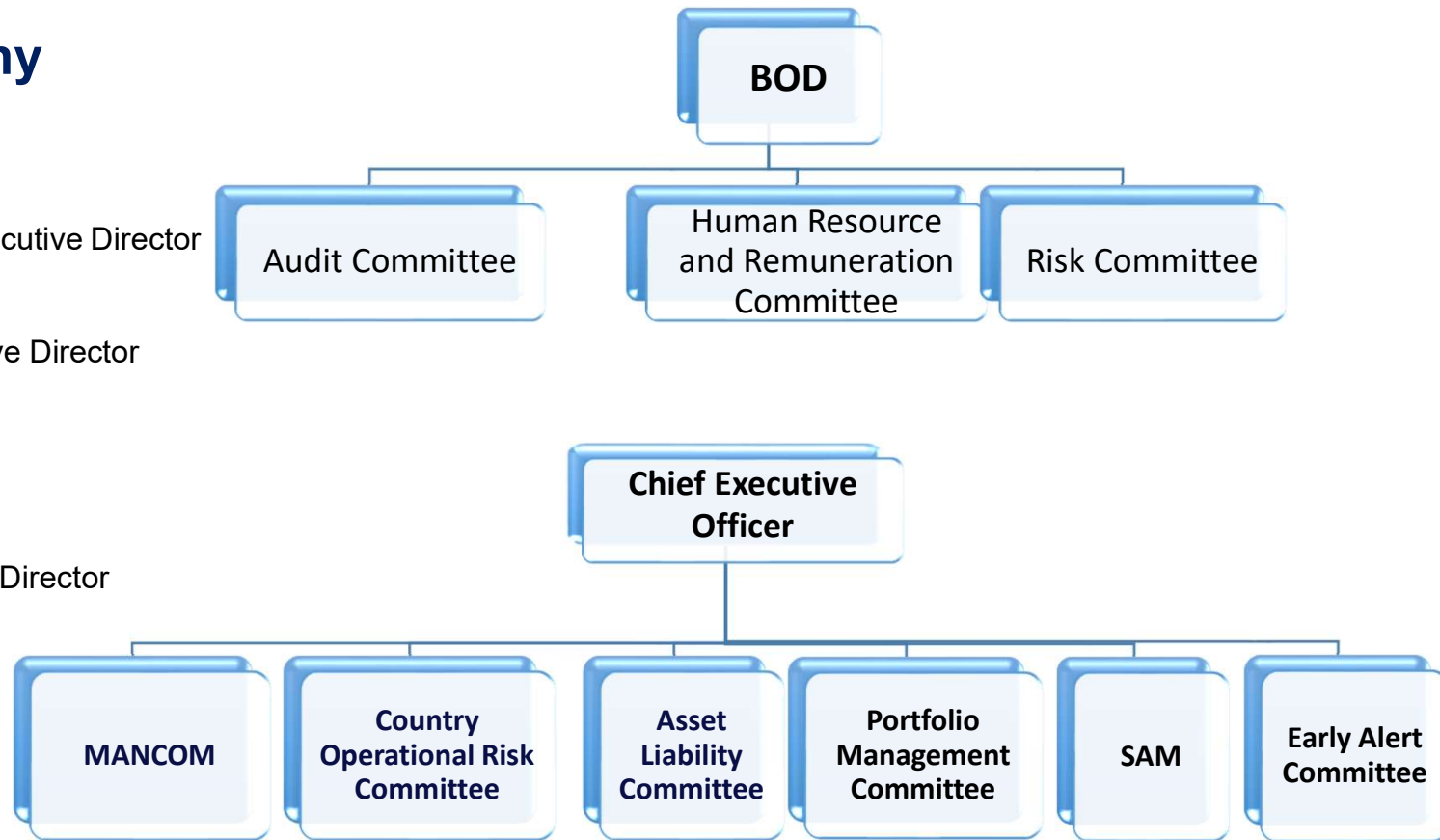
**Mr. Nausherwan Adil**  
Independent Non executive Director

**Ms. Naila Hasan**  
Independent Non executive Female Director

**Mr. Ramon Alfrey**  
Non executive Director

**Mian Faysal Riaz**  
Non executive Director

**Mr. Nadim D. Khan**  
Non executive Director



## Risk Management Model

- Portfolio Shape Working
- Risk Triggers Working
- VAR Estimation (LGD/EL)
- Risk Reporting
- Credit Grading Analysis
- Scorecard Models



## *Risk Management Parameters*



## Shari'ah Governance



## *Shari'ah Governance*

### Shari'ah Advisor

- Conduct Shari'ah review and report on yearly basis.
- Advise on certain Shari'ah related matters on day to day basis.

### Shari'ah Auditor

- Monitor transaction on the basis of Shari'ah Guidelines.
- Report findings to Shari'ah Advisor and Board Audit Committee.

### Legal Agreement

- Legal agreement for different products were approved by SECP Religious Board.

### Products

- All agreement and Products Programmes were approved by the SCB-Group Islamic Banking along with local Shari'ah Advisor.

# Performance



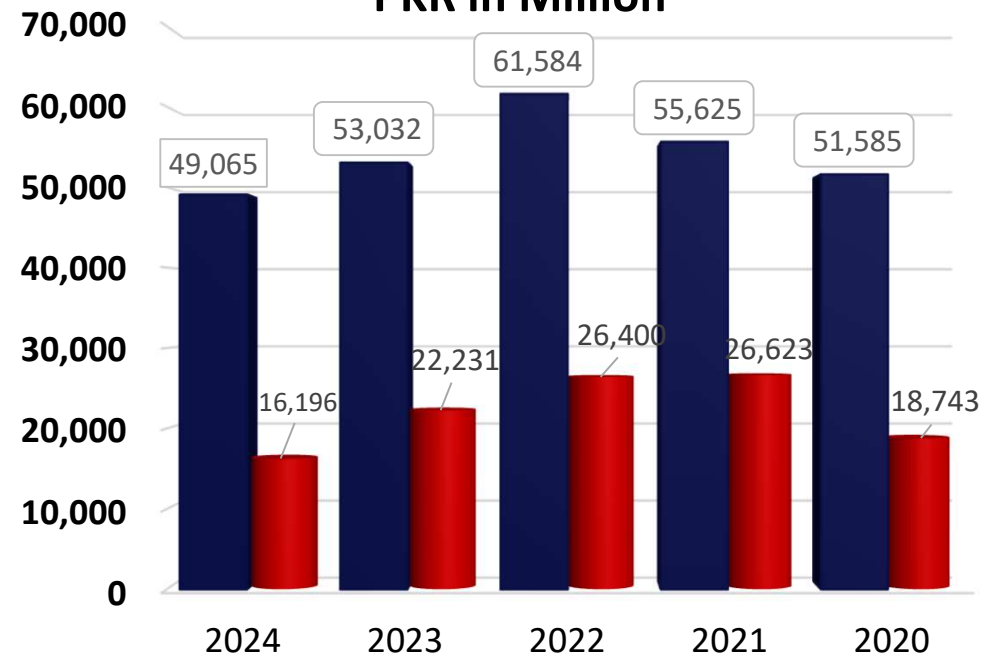
## Modaraba Sector

# Modarabas in Pakistan

- To promote Islamic financing in the country Modarabas as a corporate entities were floated and established in the decade of 1980. This was the first Islamic financial model introduced globally.
- Modarabas have gone through significant evolution in the last 25-30 years with a turnaround developments in Islamic financing industry and now the asset base of this industry has exceeded PKR 60 billion.
- Modarabas are serving the financing needs of corporates, SMEs, small business and individuals where the banking sector has not been able to effectively reach. Over PKR 100 billions have been disbursed to SME sector by Modarabas thereby contributing immensely towards new and small businesses.
- OLPM accounts for 15.77% of the sectors total assets and 7.68% of the sectors equity.

## Modaraba Industry Statistics

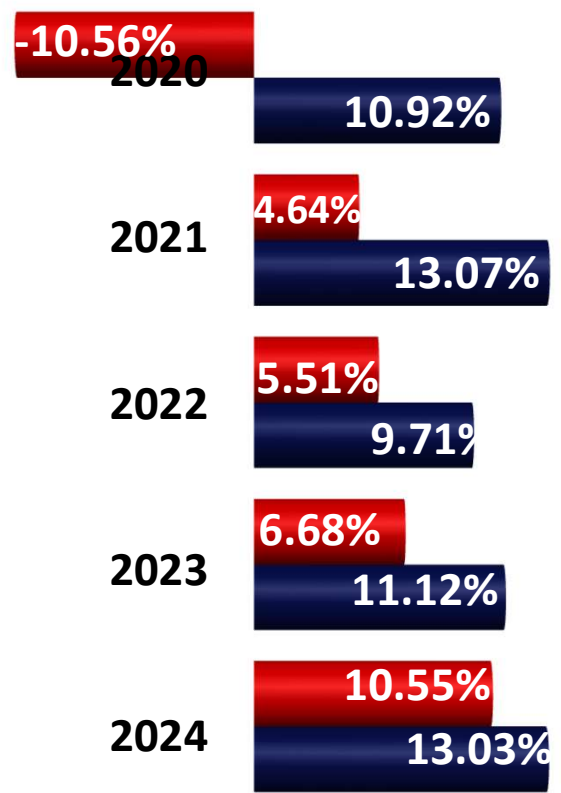
PKR in Million



	2024	2023	2022	2021	2020
■ Assets	49,065	53,032	61,584	55,625	51,585
■ Equity	16,196	22,231	26,400	26,623	18,743

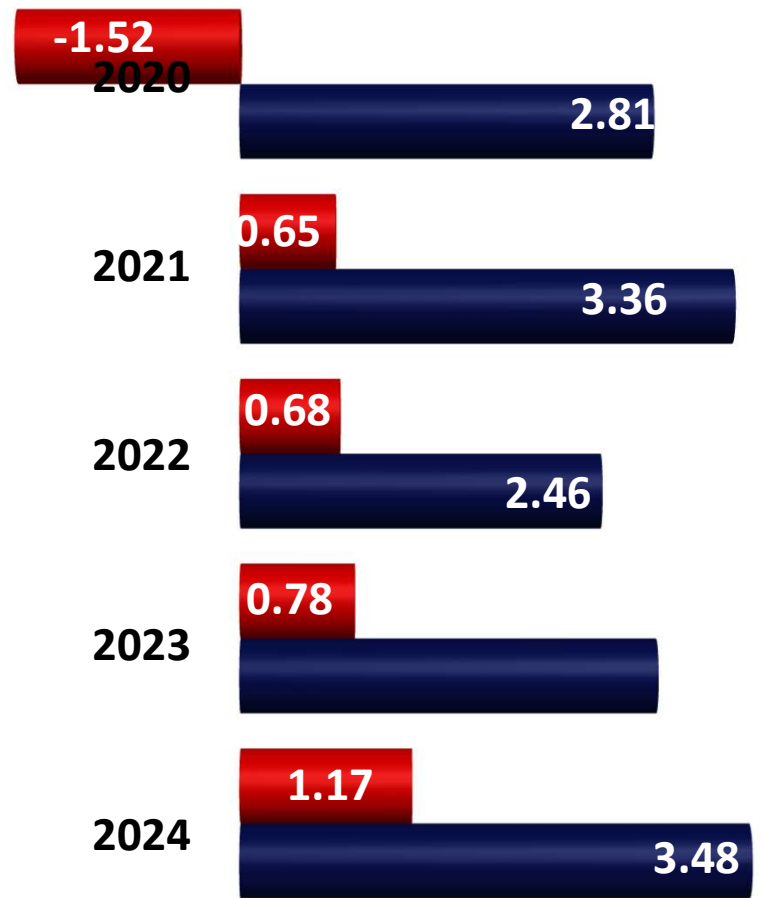
**Currently 17 Modarabas are Active**

### Return on Equity (%)



■ Industry ■ OLPM

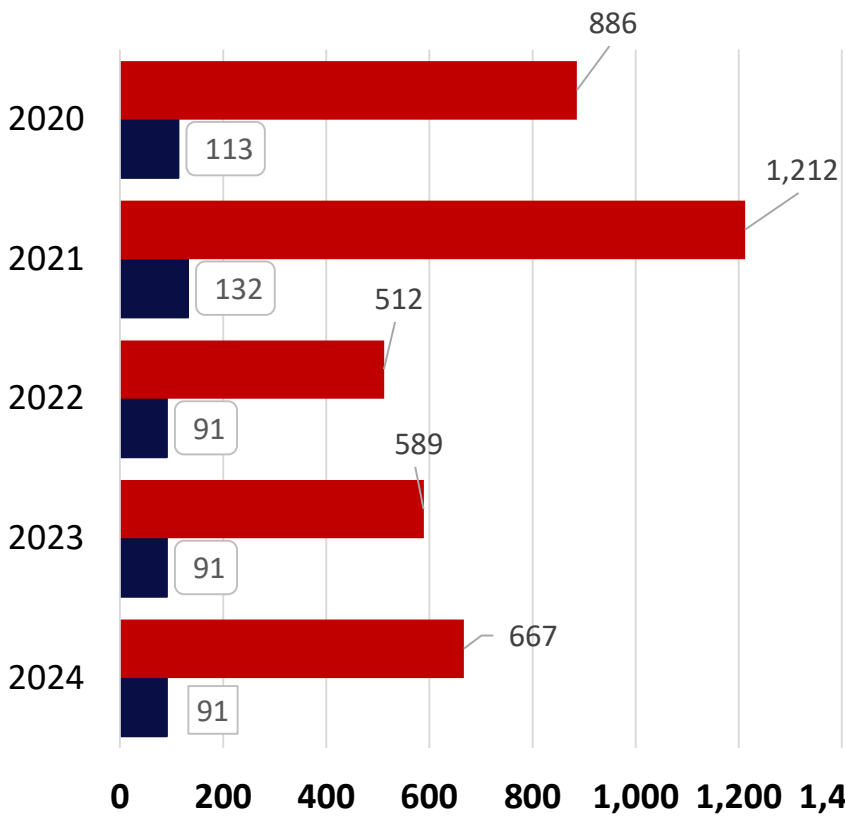
### Earning per certificate (Rs.)



■ Industry ■ OLPM

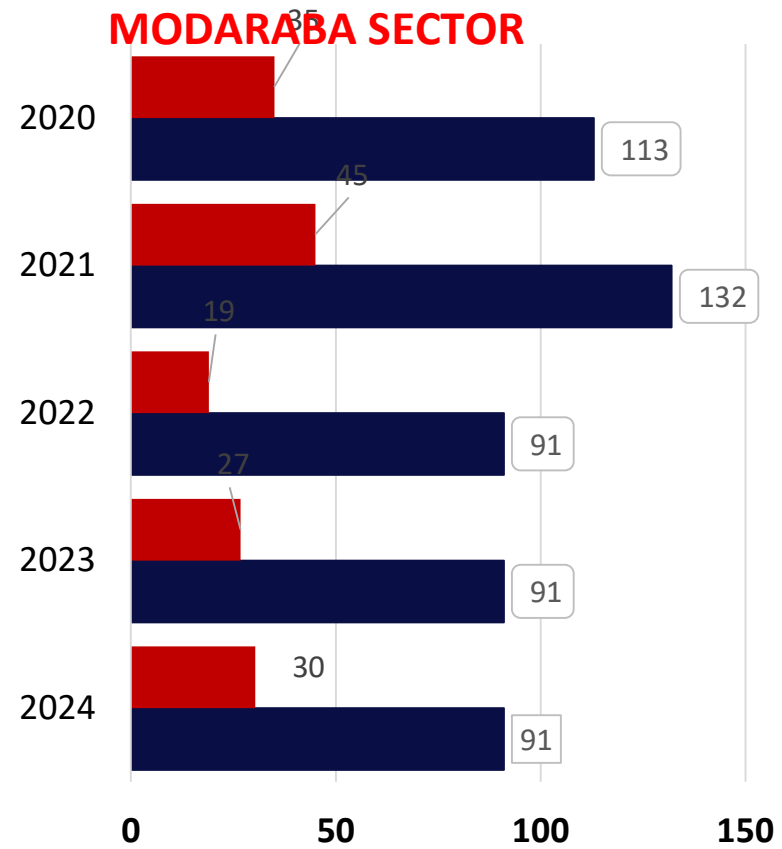


### DIVIDEND PAYOUT – OLP MODARABA Vs. TOTAL MODARABA SECTOR



	2024	2023	2022	2021	2020
MODARABA SECTOR	667	589	512	1,212	886
OLPM	91	91	91	132	113

### DIVIDEND PAYOUT – OLP MODARABA Vs. AVERAGE MODARABA SECTOR

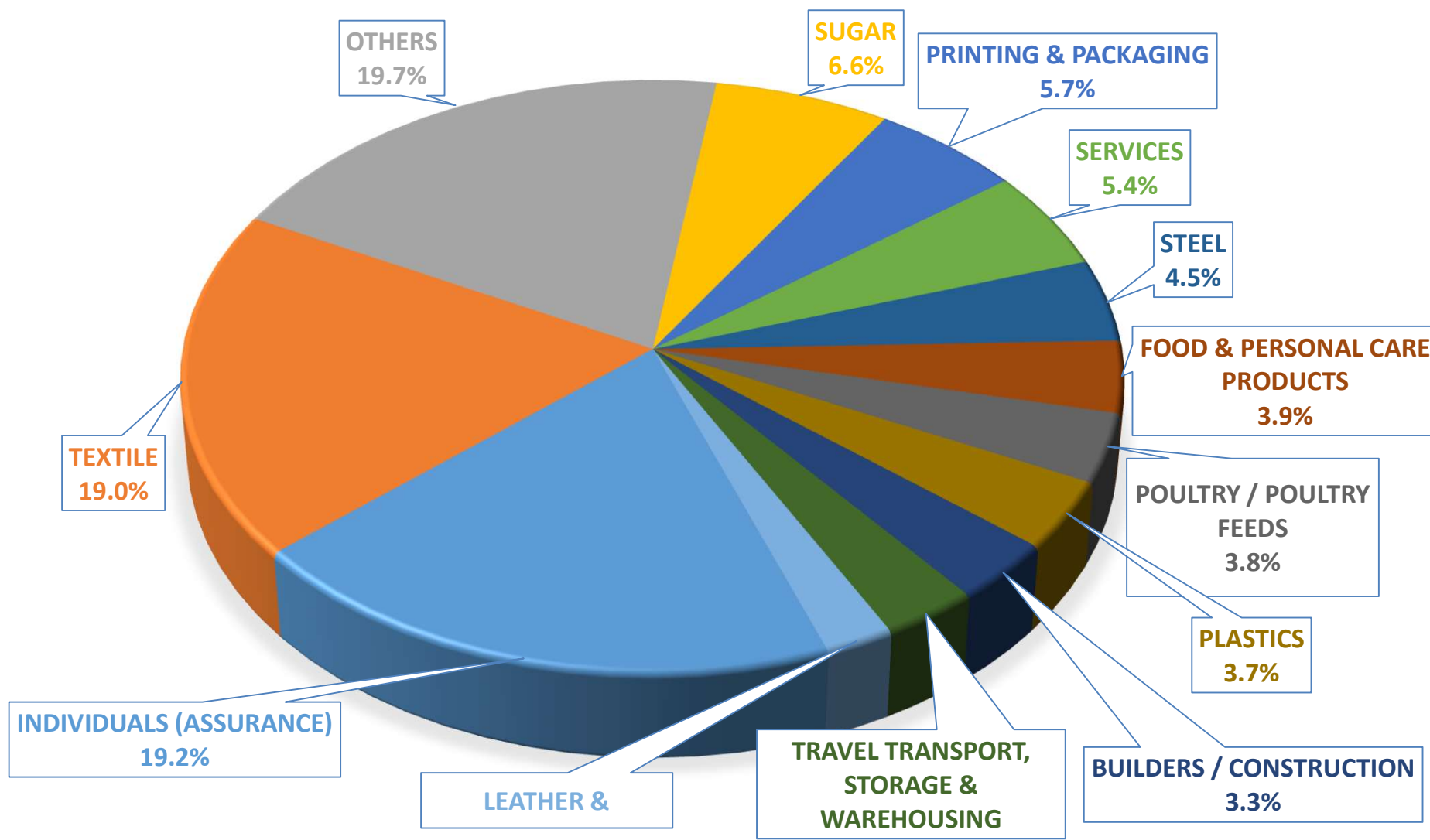


	2024	2023	2022	2021	2020
AVERAGE MODARABA SECTOR	30	27	19	45	35
OLPM	91	91	91	132	113





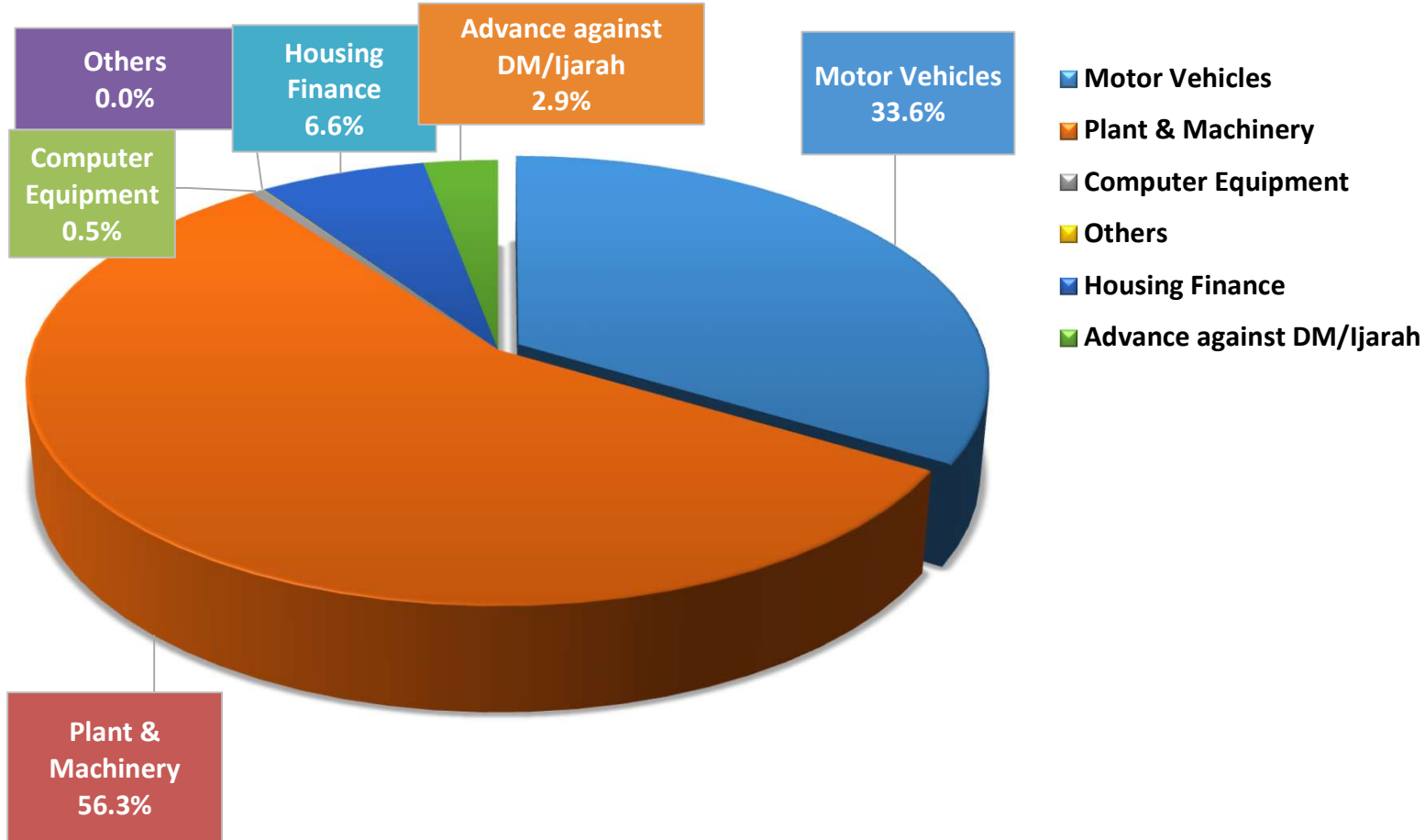
# Sector Diversification

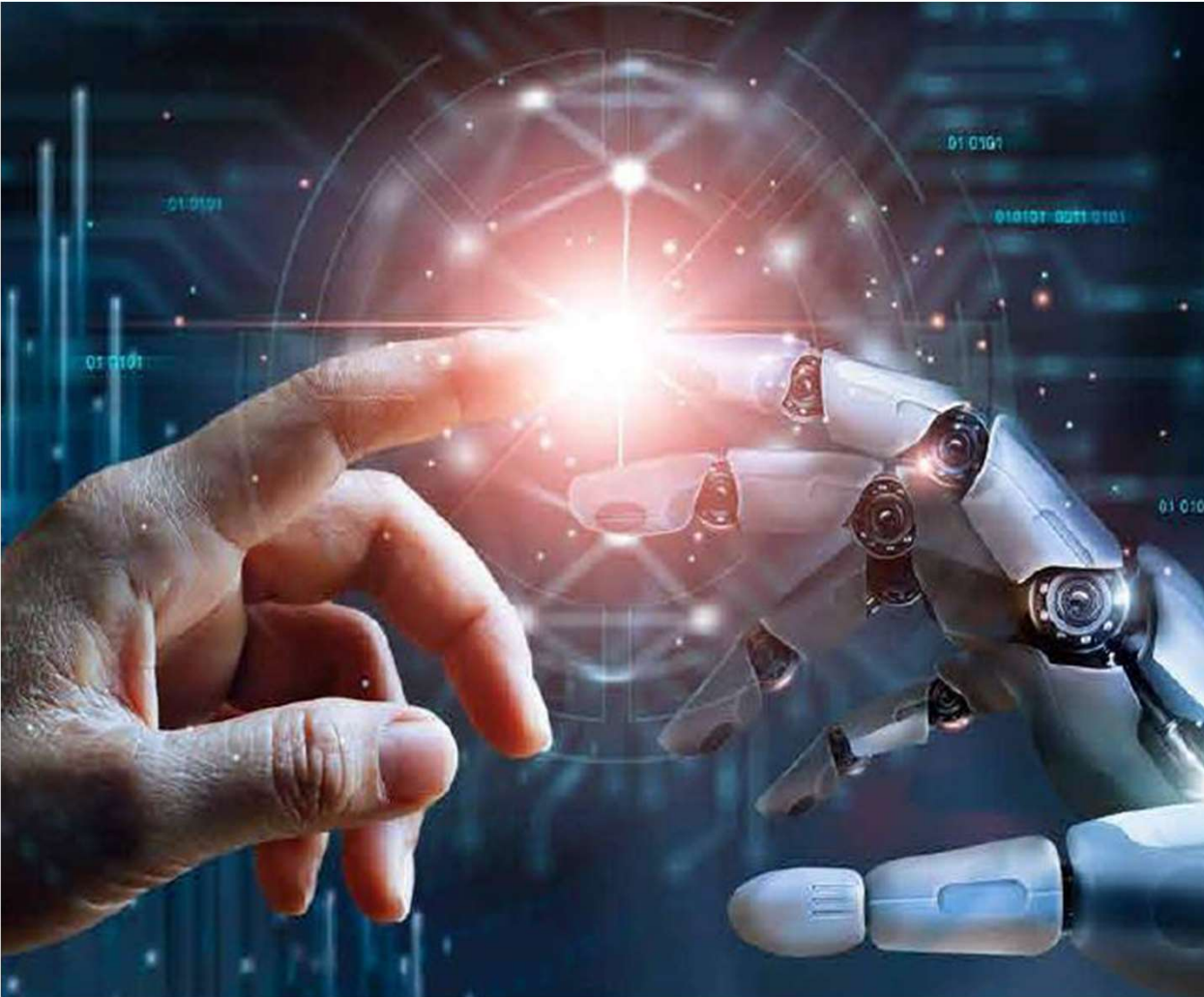






# Product Diversification





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## Financial Performance



**OLP**

# Financial Highlights June 30, 2024

## Financial Highlights



Profit After Tax		PKR in Million
2024		157.737
2023		128.784



Earnings		PKR
2024		3.48
2023		2.84



Cash Dividend		PKR in Million
2024		90.77
2023		90.77



Total Assets		PKR in Billion
2024		7.738
2023		6.824



Total Disbursements		PKR in Million
2024		3.197
2023		2.782



Break-up value Per Certificate		PKR
2024		27.40
2023		25.93

## ***Financial Highlights June 30, 2024***

### **Assets**

- One of the largest Modaraba of the country.

### **Deposits**

- OLPM Modaraba has the largest retail Certificate of Musharika portfolio of PKR 3.24 billion in the entire Modaraba Sector.

### **Dividend**

- Record history of cash dividend pay out through out the period ranges from 16% to 40%. Average dividend pay out is 23% per annum. Never missed dividend since inception.

### **IFRS-9**

- Pioneer Financial Modaraba who early adopted IFRS-9 including provision calculation under ECL model.

### **Portfolio**

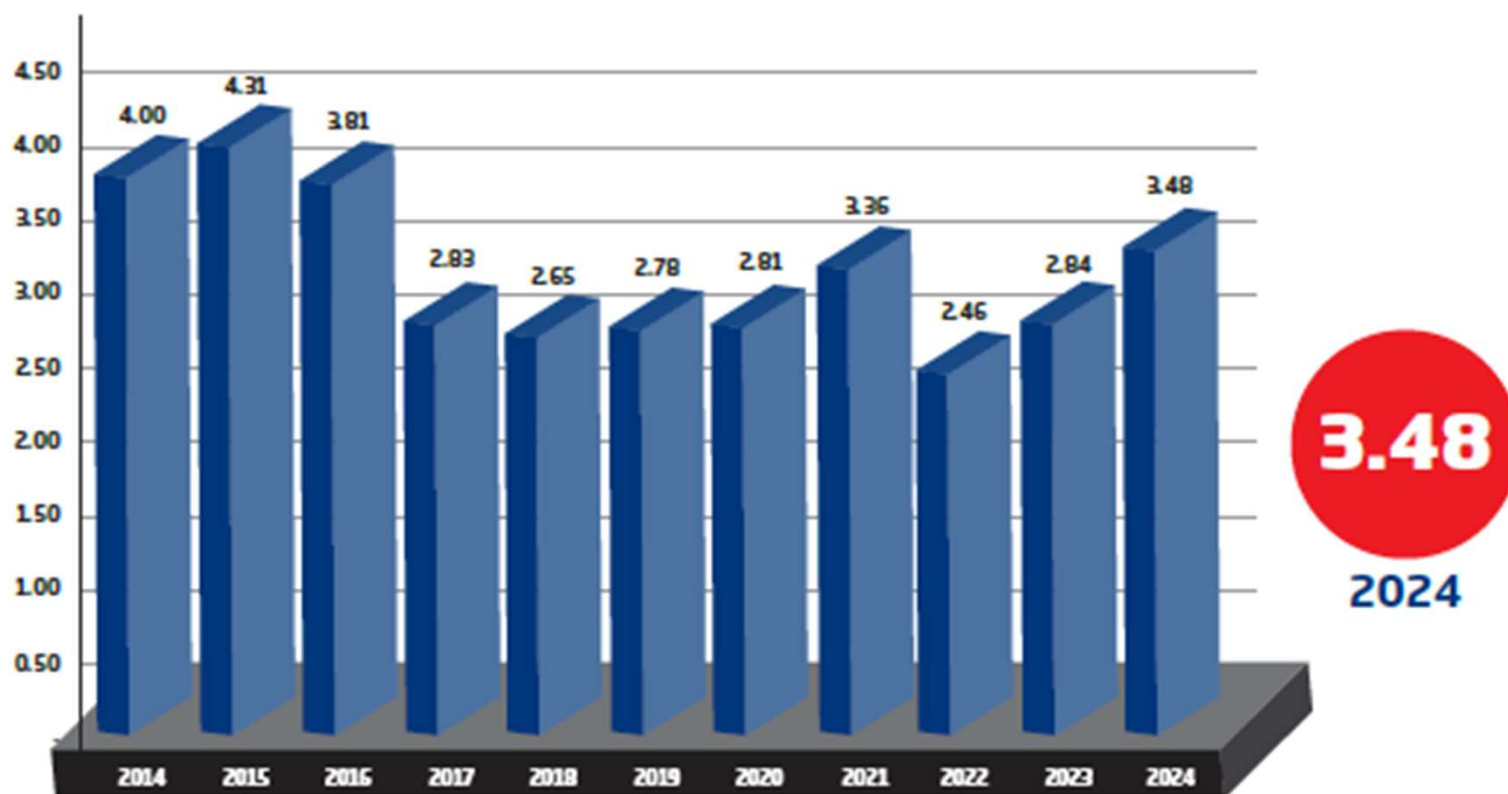
- Maintained quality portfolio through out the period. Less than 200 million Loan Impairment (including impairment under IFRS-9) in 37 years against total disbursements of more than PKR 58 billion in the same period which reflects only 0.31% of the disbursed amount.

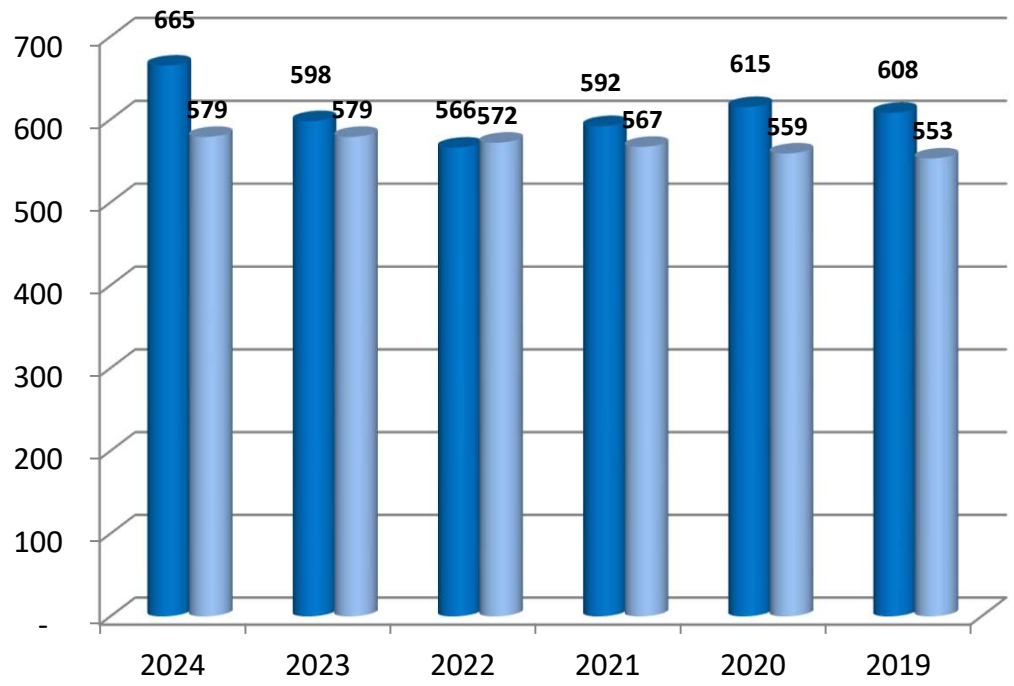
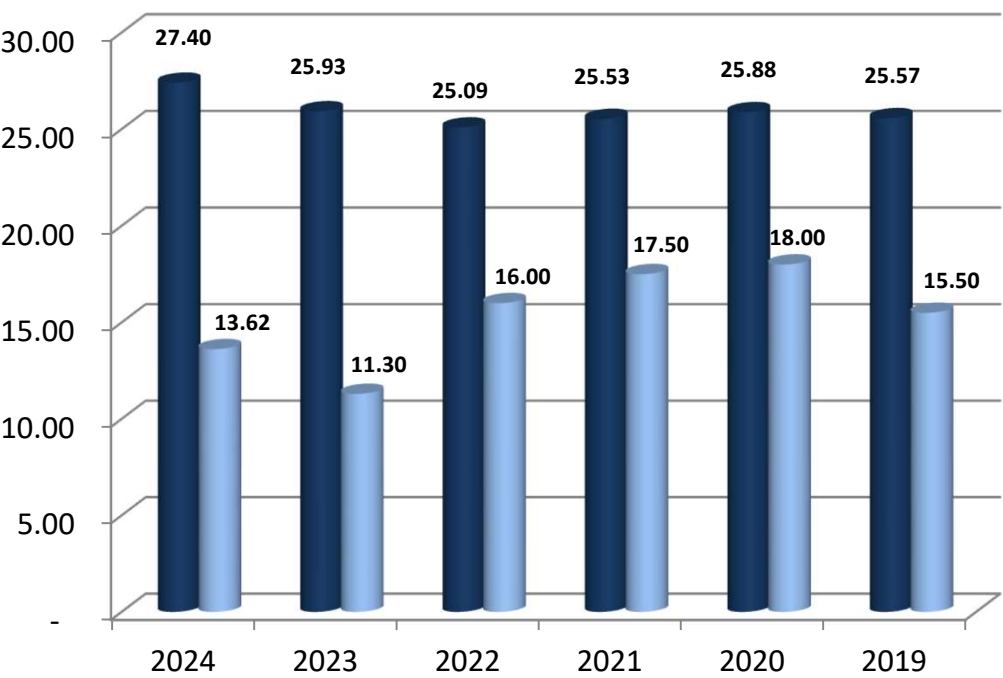


OLP

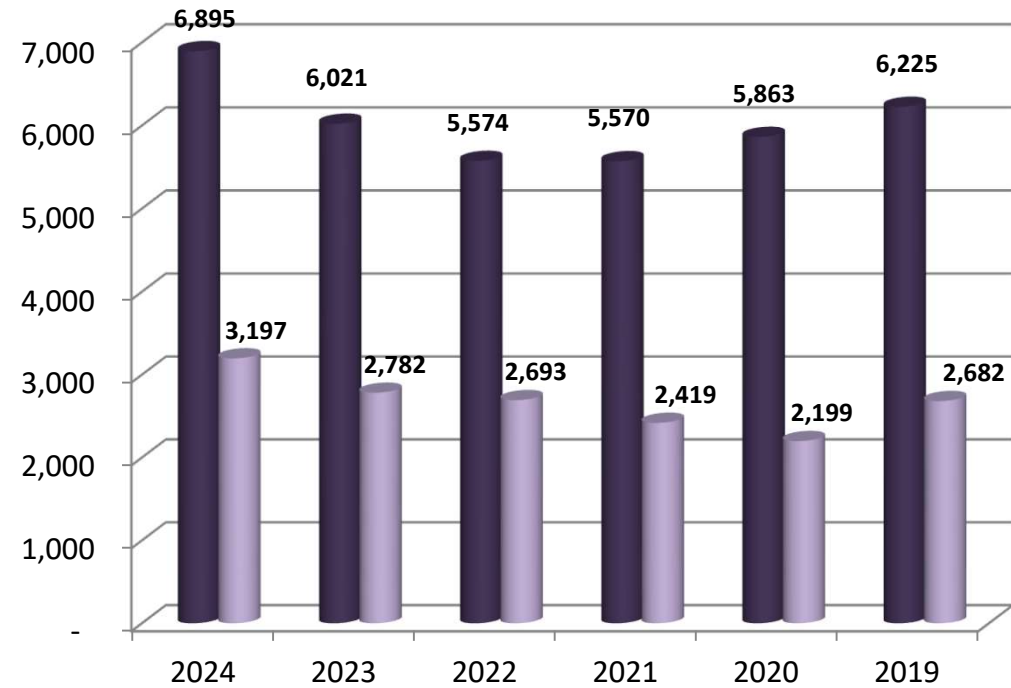
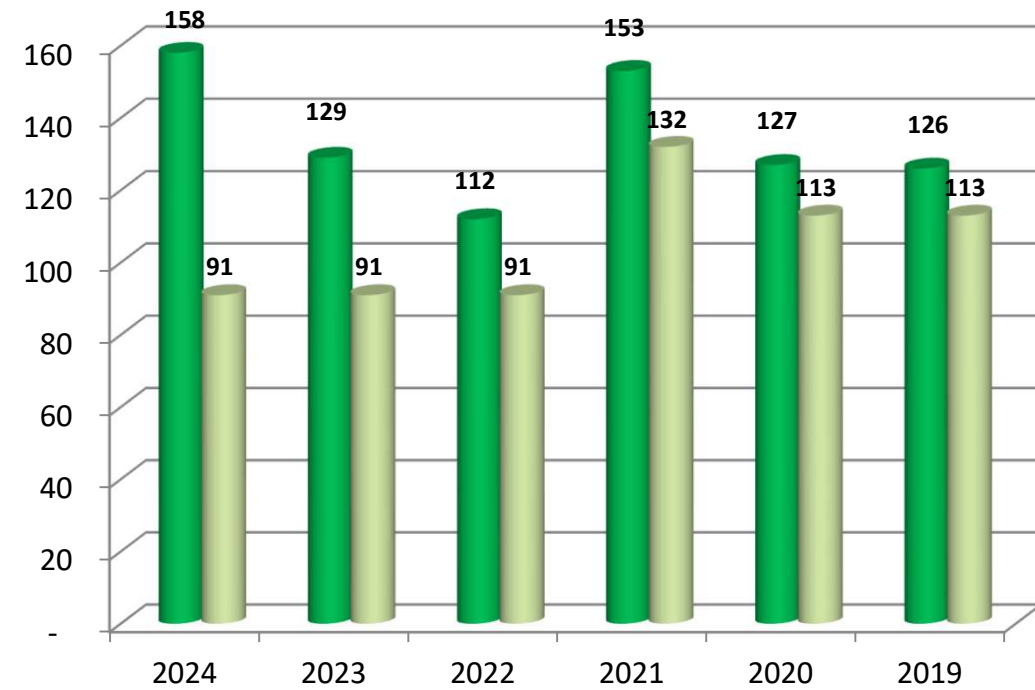
EPS OLP Modaraba

# Earnings per Certificate





	2024	2023	2022	2021	2020	2019		2024	2023	2022	2021	2020	2019
Break-up value per certificate	27.40	25.93	25.09	25.53	25.88	25.57	Certificate-holders' fund	665	598	566	592	615	608
Market value per certificate	13.62	11.30	16.00	17.50	18.00	15.50	Reserves	579	579	572	567	559	553



	2024	2023	2022	2021	2020	2019		2024	2023	2022	2021	2020	2019
<b>Net Profit</b>	158	129	112	153	127	126	<b>Portfolio</b>	6,895	6,021	5,574	5,570	5,863	6,225
<b>Dividend including Bonus</b>	91	91	91	132	113	113	<b>Total disbursements</b>	3,197	2,782	2,693	2,419	2,199	2,682
<b>Percentage</b>	20%	20%	20%	29%	25%	25%							



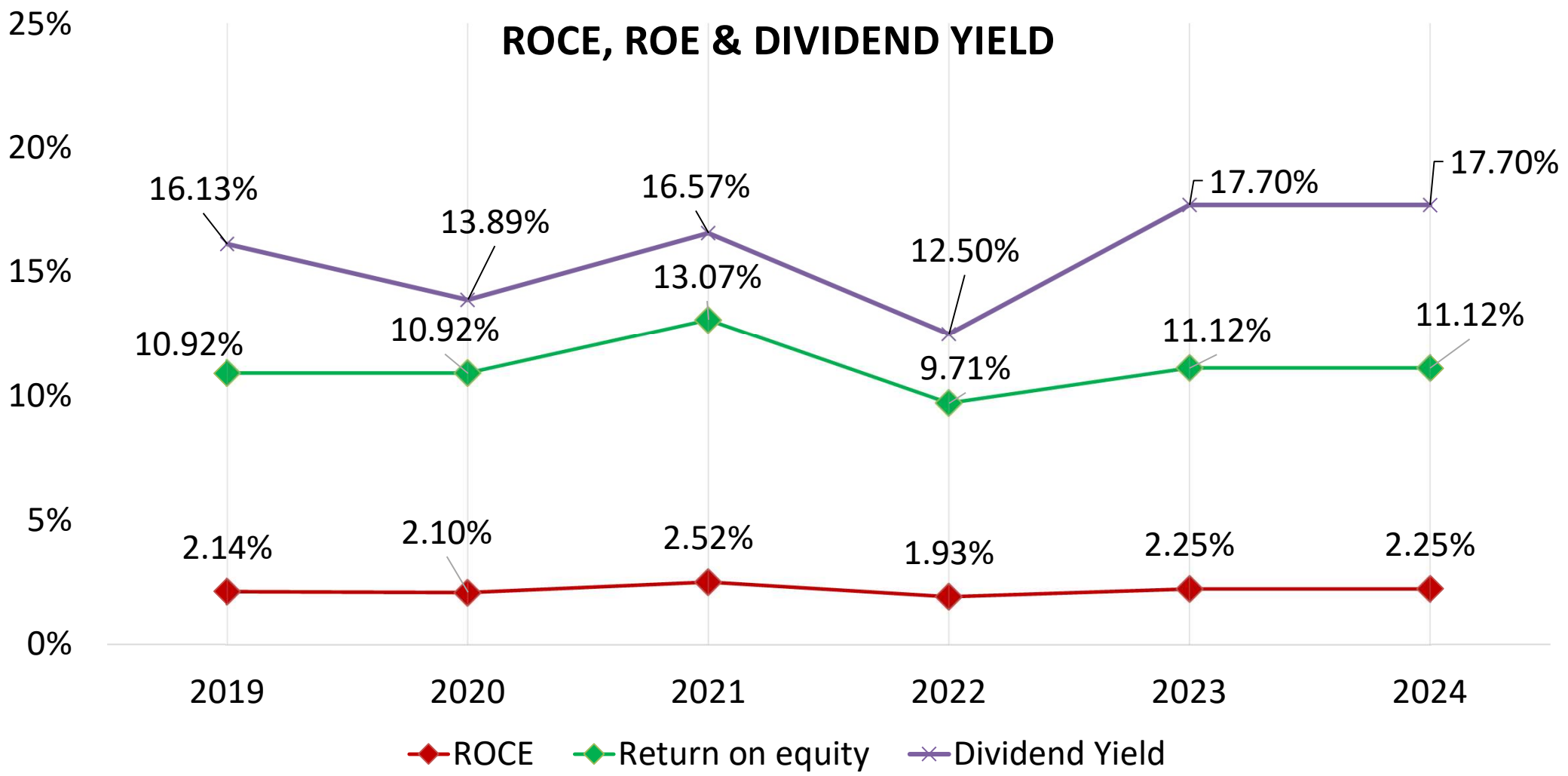




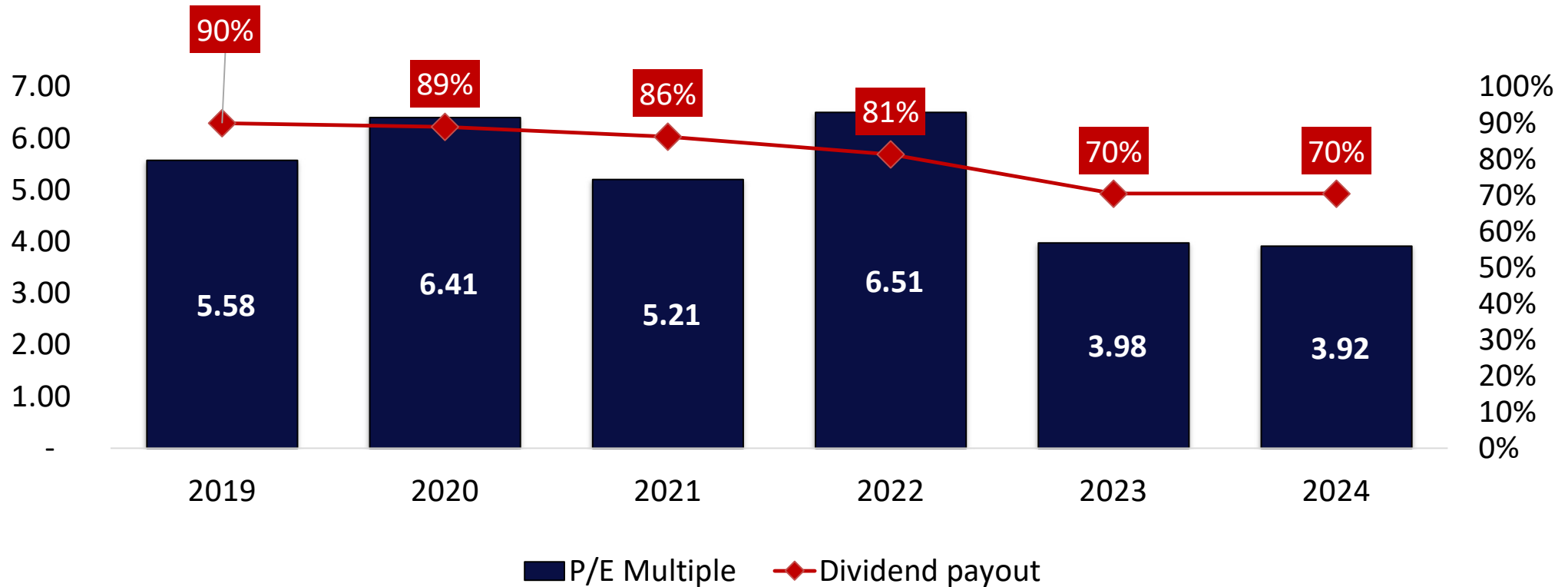
## Profit or Loss

Amount in Rs. million

	2024	2023	2022	2021	2020	2019
Income from Ijarah financing	299	290	274	296	353	313
Income from Musharaka financing	1,153	852	435	307	447	340
Fee Income on financing facilities	44	56	48	70	65	73
Income from Bank deposits	132	90	36	39	57	20
<b>Total Income from Operations</b>	<b>1,628</b>	<b>1,288</b>	<b>793</b>	<b>712</b>	<b>922</b>	<b>746</b>
Financial Charges	(1,091)	(826)	(420)	(348)	(599)	(448)
Administrative Cost	(275)	(244)	(193)	(188)	(176)	(153)
<b>Profit from Operations</b>	<b>263</b>	<b>218</b>	<b>179</b>	<b>175</b>	<b>147</b>	<b>145</b>
Management Company's remuneration	(30)	(25)	(20)	(20)	(17)	(16)
WWF	(5)	(7)	(6)	(3)	(3)	(3)
Taxation	(71)	(58)	(41)	-	-	-
<b>Net Profit</b>	<b>158</b>	<b>129</b>	<b>112</b>	<b>153</b>	<b>127</b>	<b>126</b>
<b>EPS</b>	<b>3.48</b>	<b>2.84</b>	<b>2.46</b>	<b>3.36</b>	<b>2.81</b>	<b>2.78</b>



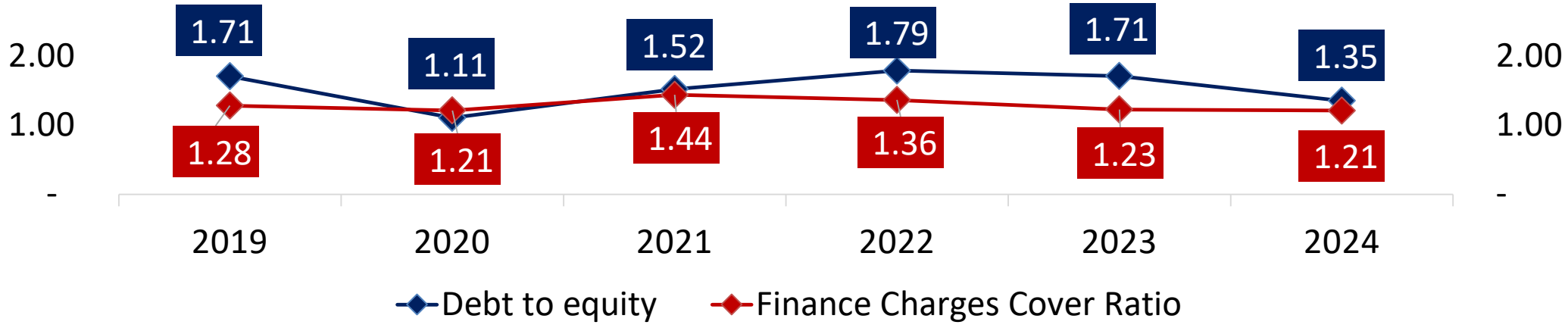
### P/E & Dividend Payout



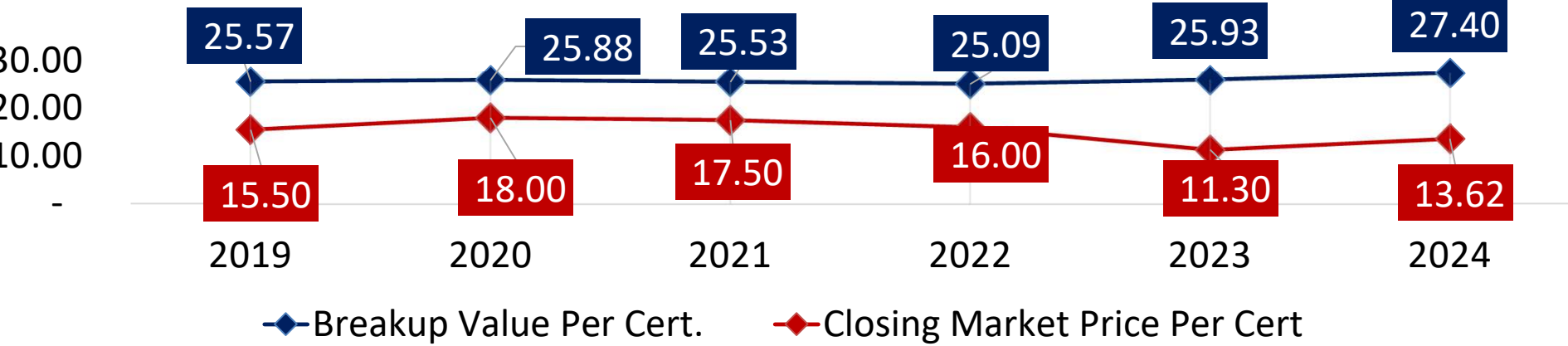


<b>Statement of Financial Position Amounts in Rs. million</b>	<b>June 2024</b>	<b>June 2023</b>	<b>June 2022</b>	<b>June 2021</b>	<b>June 2020</b>	<b>June 2019</b>
Cash & Bank Balances	330	400	514	769	1,038	432
Ijarah Assets	1,260	1,628	1,811	2,244	2,632	3,140
DM Financings	5,285	4,270	3,763	3,326	3,231	3,085
Other Assets	864	527	619	411	345	309
<b>Total Assets</b>	<b>7,738</b>	<b>6,825</b>	<b>6,707</b>	<b>6,750</b>	<b>7,246</b>	<b>6,966</b>
Equity	1,244	1,177	1,139	1,159	1,174	1,160
Bank Financings	1,232	1,650	1,587	1,398	1,240	1,934
Certificates of Musharaka	4,288	2,897	3,014	3,251	3,872	2,786
Security deposits against Ijarah	400	496	473	576	577	649
Other Liabilities	575	605	494	367	383	437
<b>Total Equity &amp; Liabilities</b>	<b>7,738</b>	<b>6,825</b>	<b>6,707</b>	<b>6,750</b>	<b>7,246</b>	<b>6,966</b>

### Balance Sheet Ratios

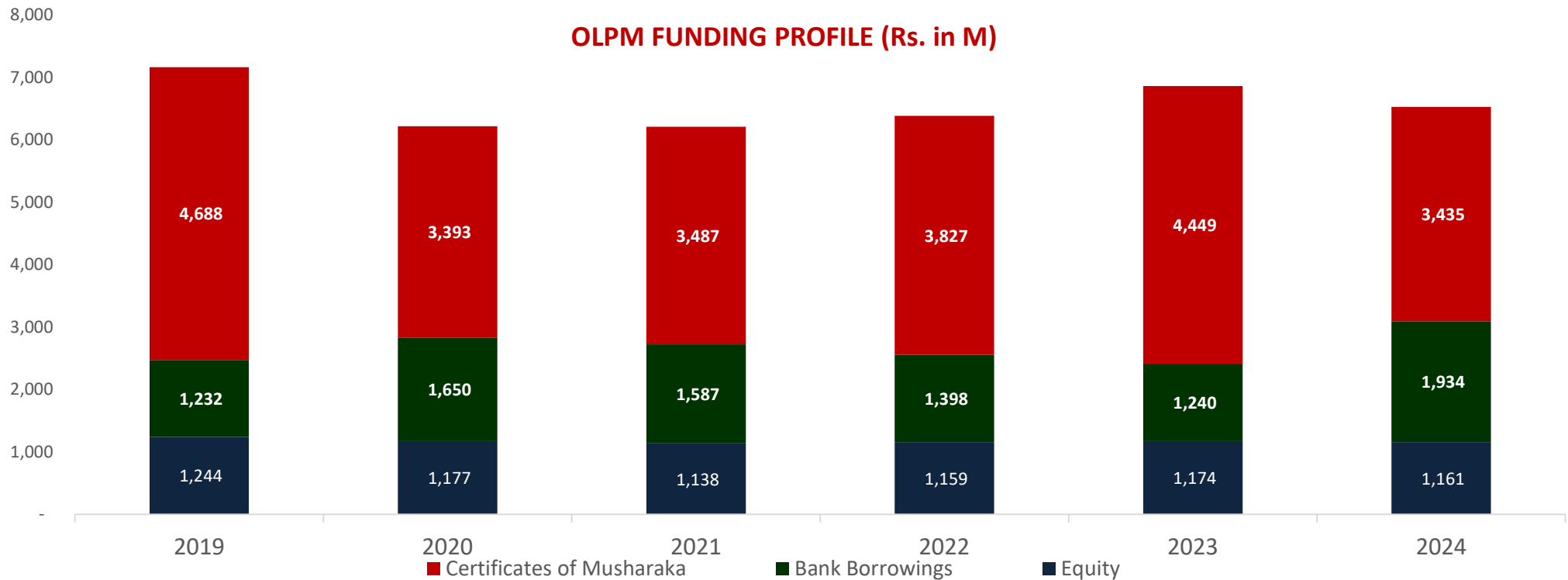


### ORIXM Certificate Value





### OLPM FUNDING PROFILE (Rs. in M)



### ORIXM FUNDING MIX

(Rupees in Millions)

	June 2019	June 2020	June 2021	June 2022	June 2023	June 2024
Equity	1,161	1,174	1,159	1,138	1,177	1,244
Bank Financings	1,934	1,240	1,398	1,587	1,650	1,232
Certificates of Musharaka and depos	3,435	4,449	3,827	3,487	3,393	4,688

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# Future Outlook

## STRATEGIC OPERATIONAL DEVELOPMENTS

- **Risk monitoring, stress testing and recovery efforts given higher default risk**
- **Technology upgrade**
- **Portfolio alignment**



The

way

Forward

In the current economic environment, the Modaraba is treading carefully given the twin risks of economy slow down and resultant probability of default

We intend to diversify clientele and product, use group intelligence and resources and augment financing income with non financing income

The thought leader status of OLPM will be used to create differentiation in its financial products and outreach with partnerships



