



## First Habib Modaraba (FHM)

**Corporate Briefing Session 2024-25**

**Wednesday, October 08, 2025**



Continuous  
Journey of Success  
**1985-2025**

# Presentation Outline

- **Modaraba Profile**
- **Governance**
- **Operations**
- **Financial Performance**
- **Awards and Ratings Update**
- **Way Forward**

# 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 NBFi 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 NBFi 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**

**40**

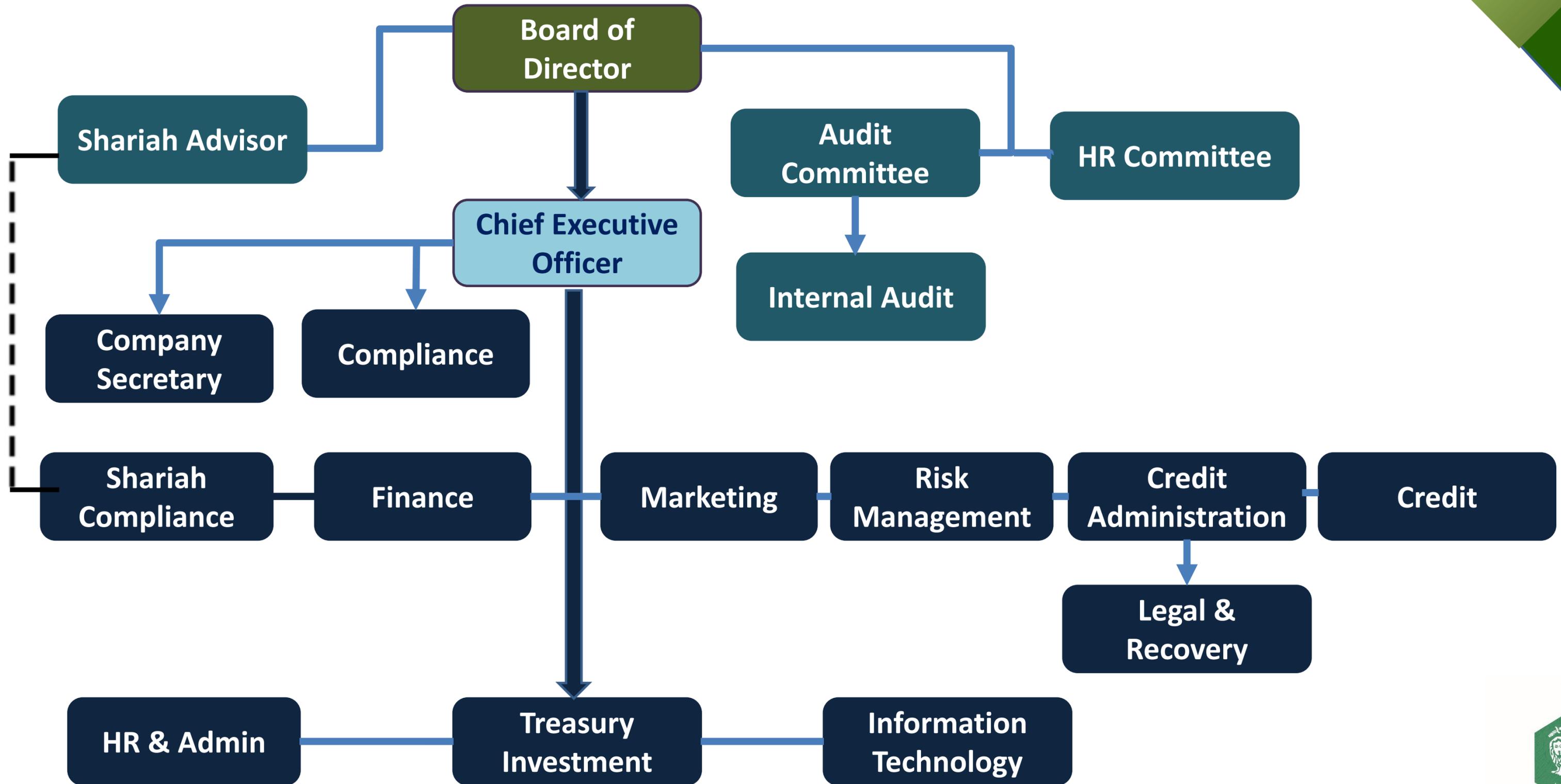
YEARS

Continuous  
Journey of Success

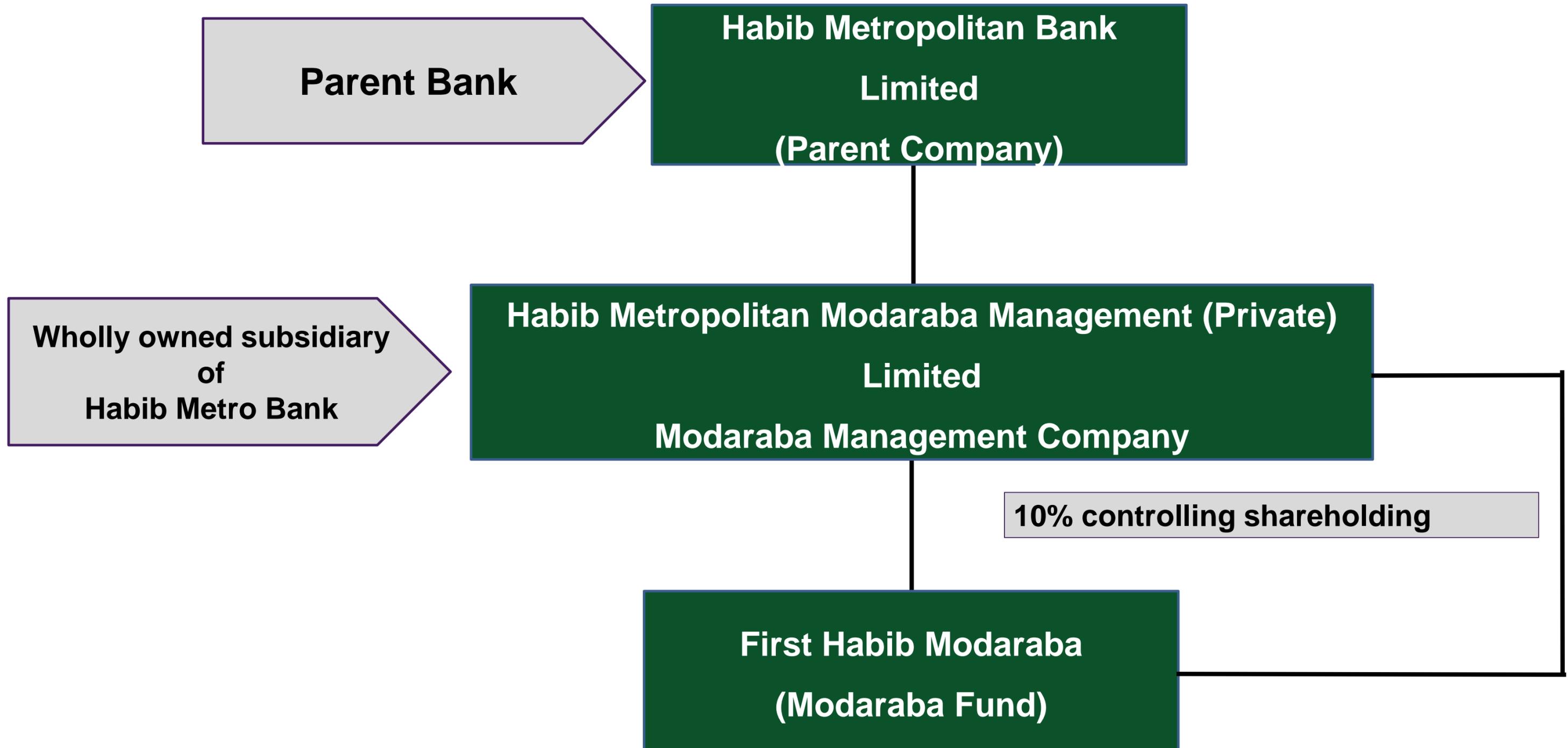
**1985-2025**

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

# ORGANOGRAM



# Group Structure





# Governance



# 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



# 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.**

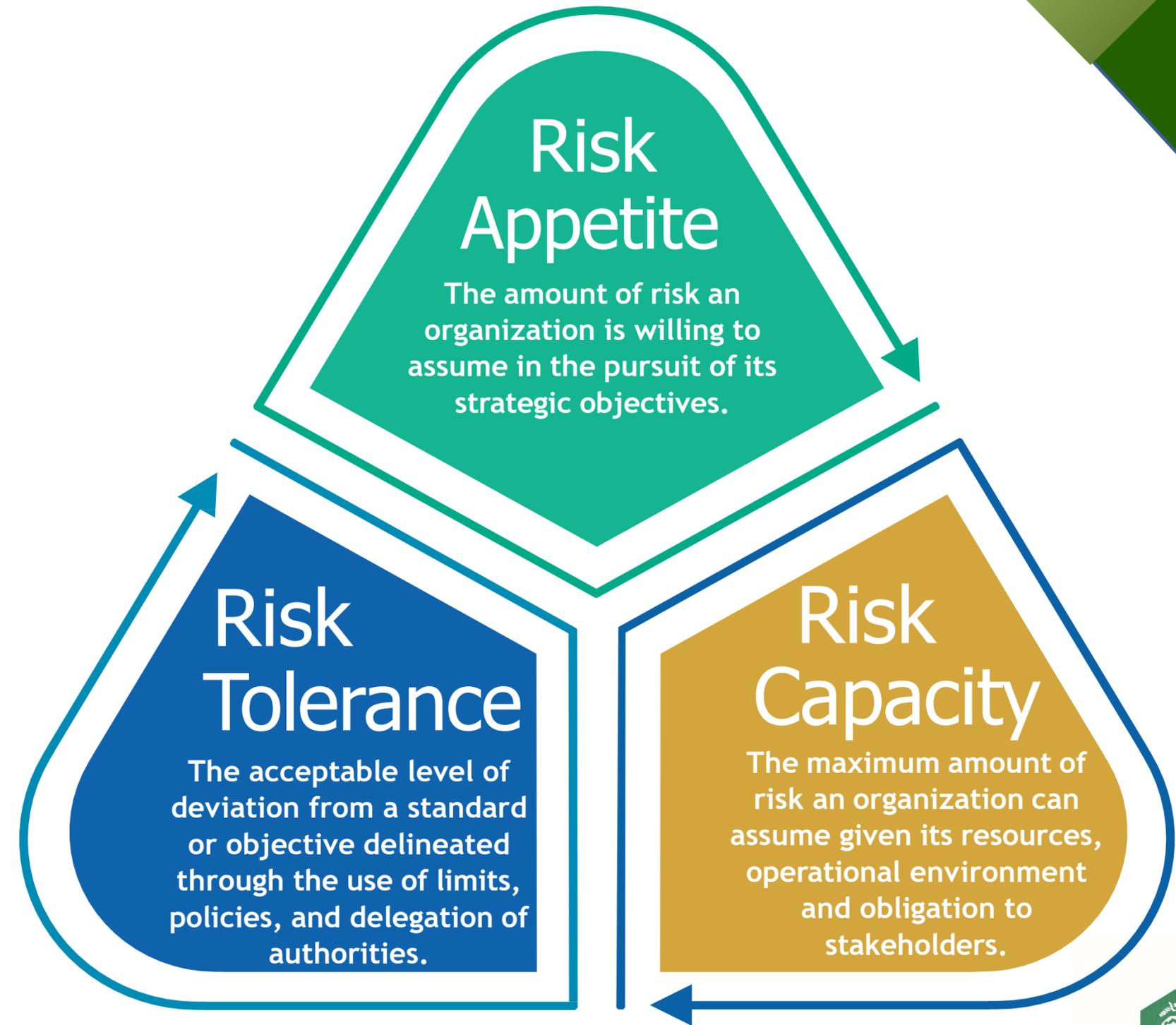
**On the basis of Shariah guidelines , Shariah Auditor present its findings to Shariah Advisor and Board.**

**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.



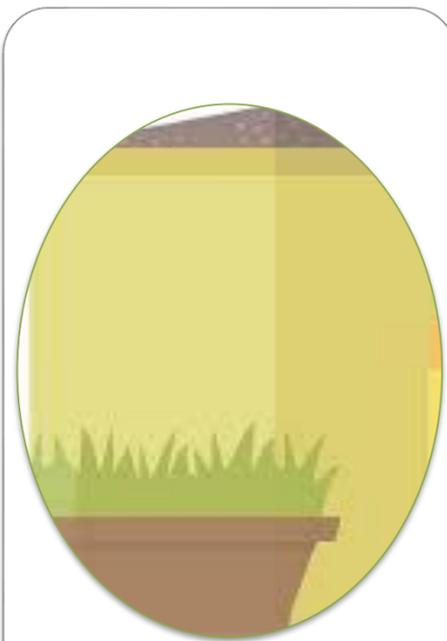
# Operations

YEARS

Continuous  
Journey of Success  
1985-2025



# FHM PRODUCT



**DIMINISHING  
MUSHARAKA**

**CONSUMER  
AUTO FINANCE**

**MURABAHA**

**SALAM**

**ISTISNA**

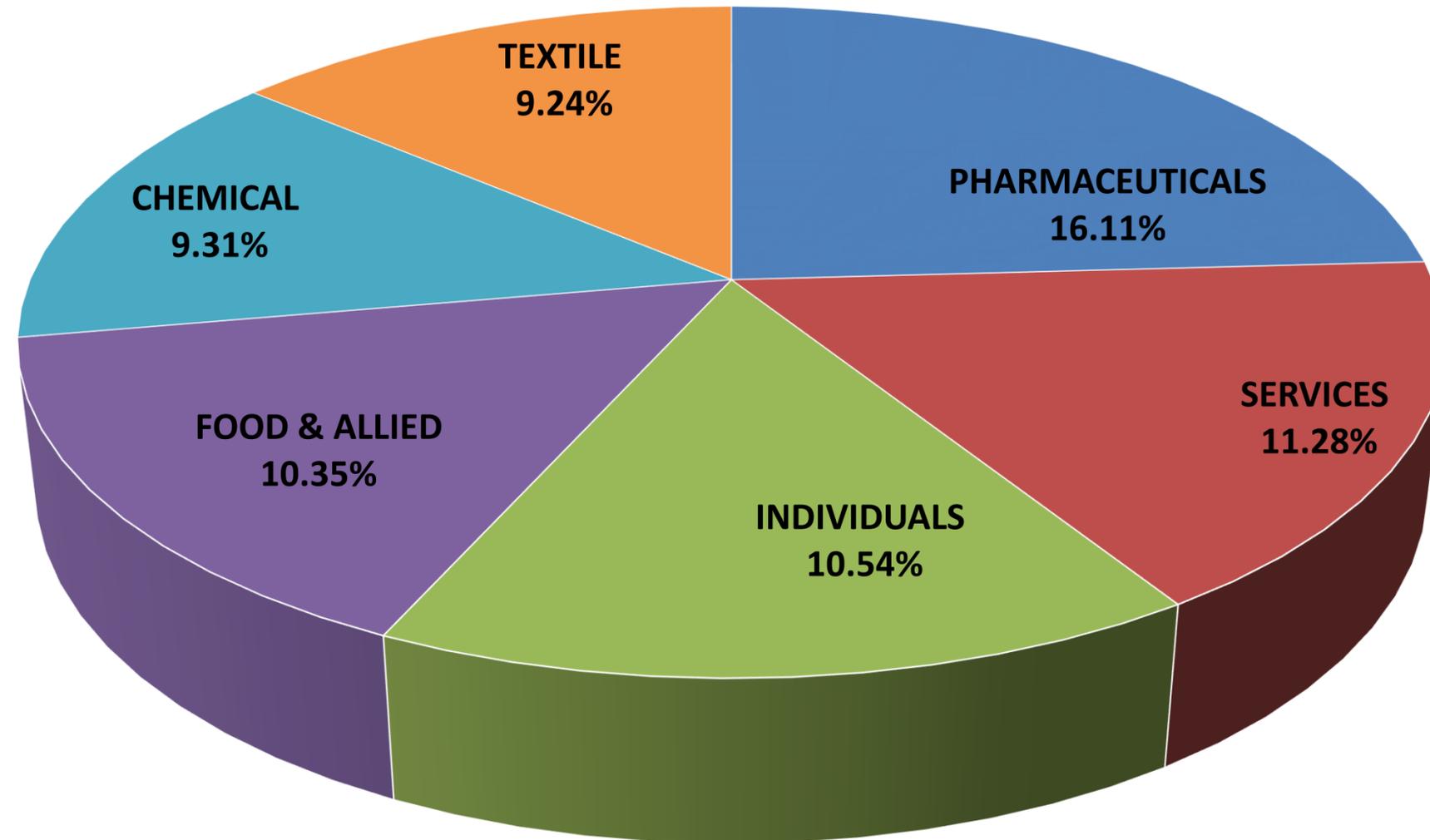
**CERTIFICATE OF  
INVESTMENT  
(MUSHARAKA)**

**HOUSE FINANCE  
DIMINISHING  
MUSHARAKA**



# SECTOR ENGAGEMENTS

**Top 6 Sectors  
As on June 2025**



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

Sectors
PHARMACEUTICALS
SERVICES
INDIVIDUALS
FOOD & ALLIED
CHEMICAL
TEXTILE
IT & TELECOM
SUGAR ALLIED
CABLE & ELECTRICAL GOODS
OIL & GAS EXPLORATION
CARGO, COURIER LOGISTICS SERVICES
HEALTH CARE
AUTO & ALLIED
FERTILIZER
CONSTRUCTION
PAPER AND BOARD
STEEL & ENGINEERING
FUEL, POWER, AND ENERGY
OTHERS
CEMENT
FINANCIAL INSTITUTIONS & INSURANCE
REFINERY, LUBRICANT, OIL & GAS MARKETING
EDUCATION
GLASS AND CERAMICS
LEATHER AND TENNARIES
<b>Total</b>

## 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
<b>Grand Total</b>	<b>40</b>



### Female Employee Ratio

- For the year 2024-25 is 22%

# Financial Performance

YEARS

Continuous  
Journey of Success  
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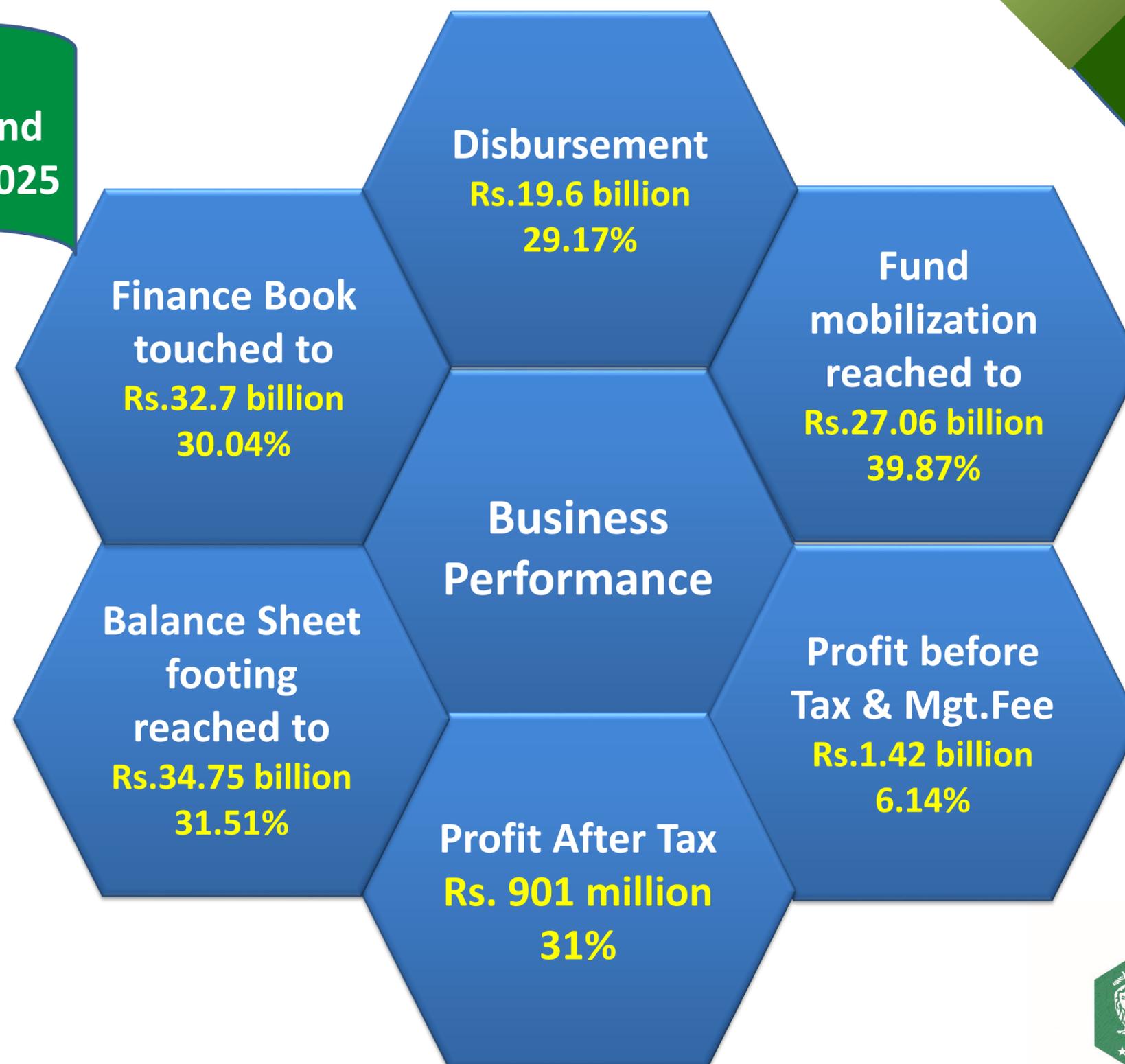


# Financial Highlights For the Year 2024-25

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%**

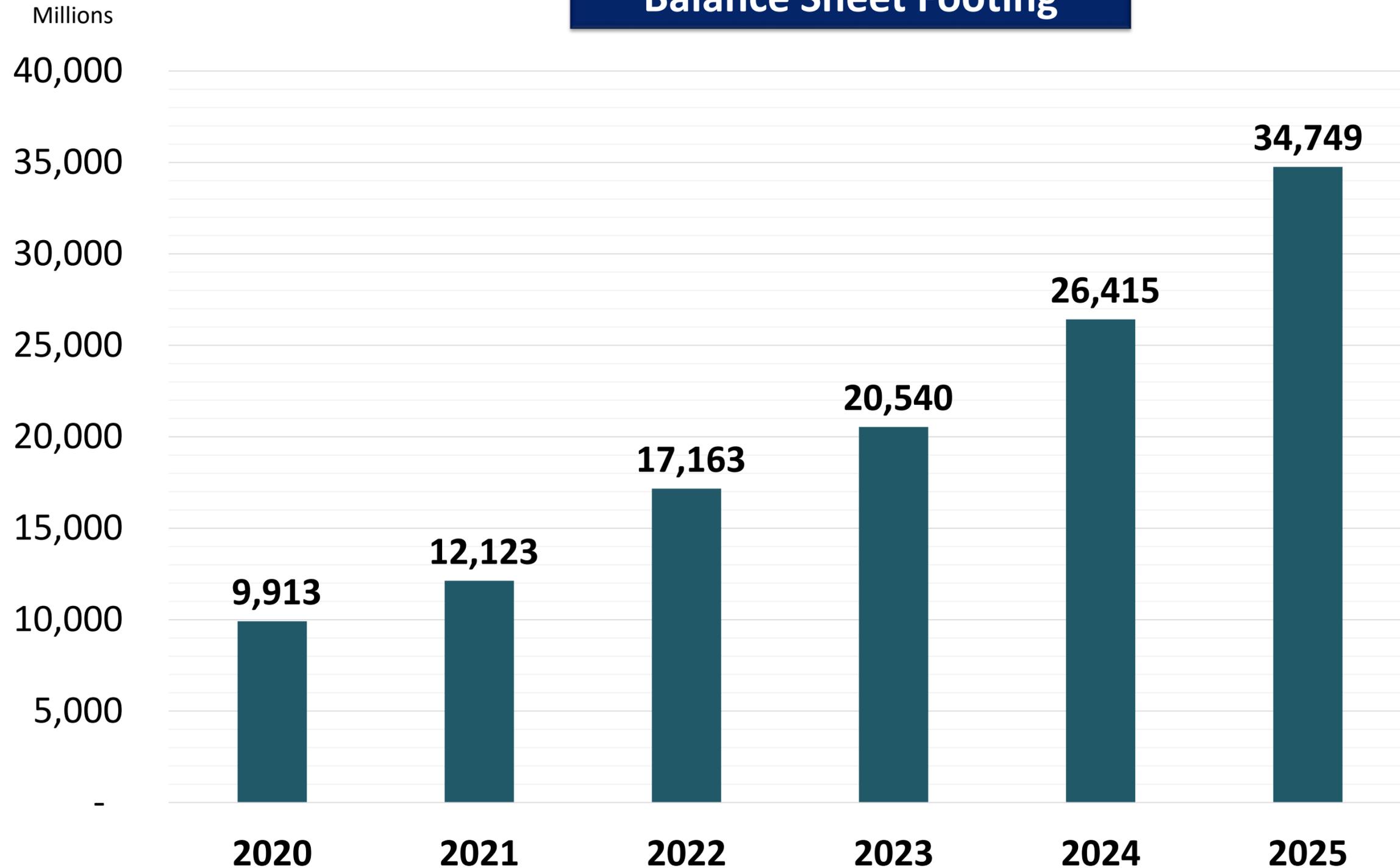
# KEY FINANCIAL DATA FOR SIX YEARS

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



# GROWTH PATTERN OF LAST SIX YEARS

## Balance Sheet Footing

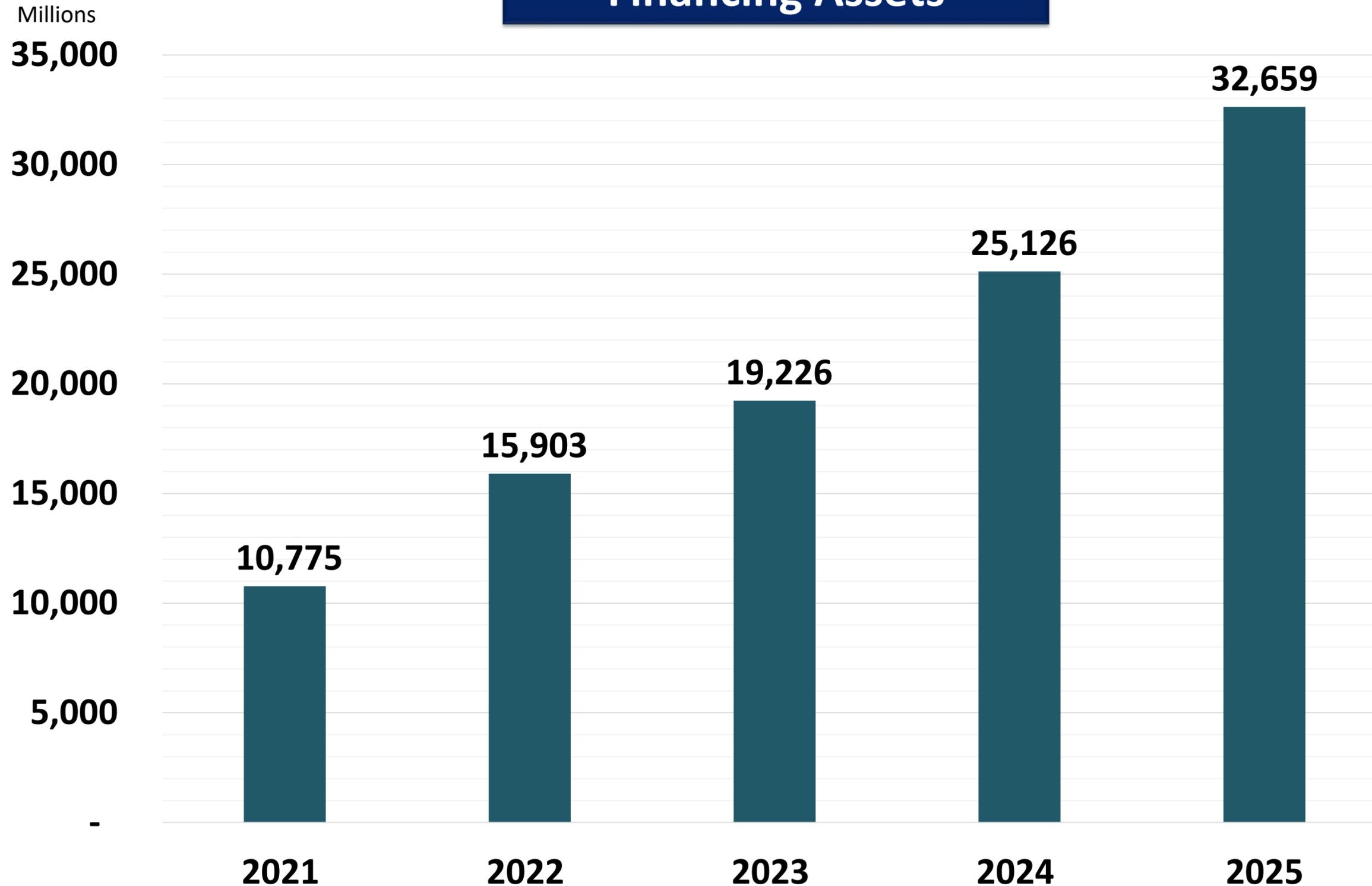


**Balance Sheet  
footing of  
Rs.34.7 Billion  
since business  
operations.**



# GROWTH PATTERN OF LAST SIX YEARS

## Financing Assets

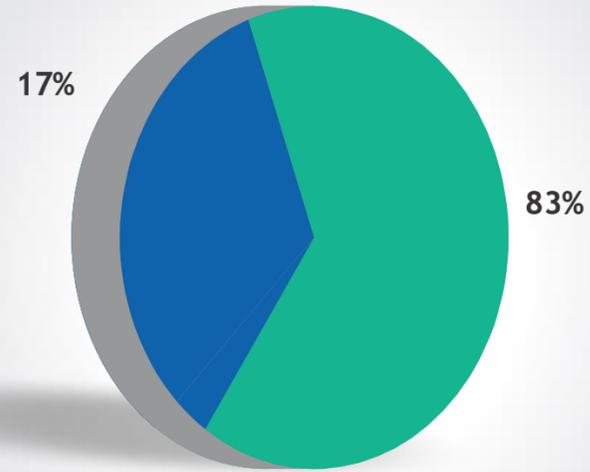


**All time High size  
of Financing  
Assets (net) i.e.  
Rs.32.6 Billion  
since business  
operations.**

# STATEMENT OF FINANCIAL POSITION COMPOSITION

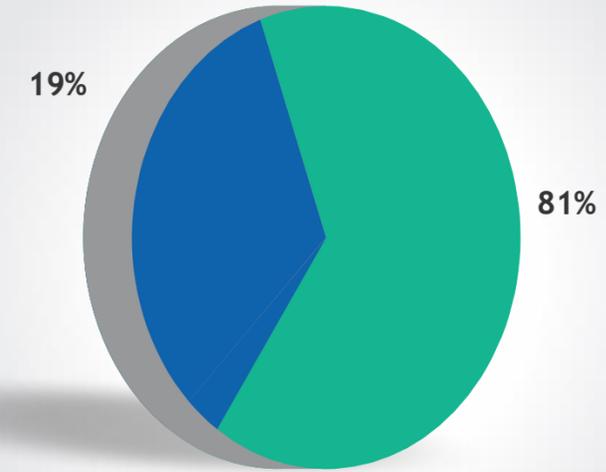
## Equity & Liabilities

2025



■ Certificate Holders' Equity  
■ Current Liabilities

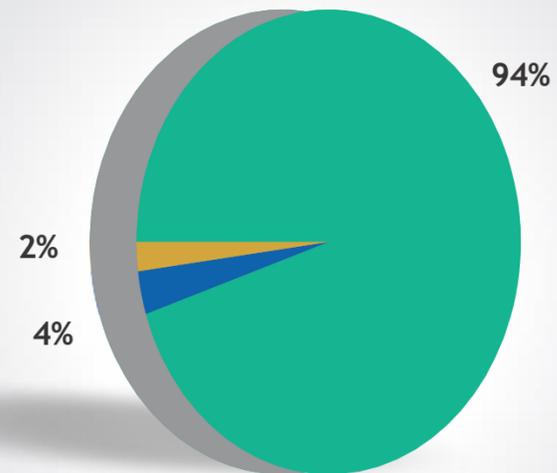
2024



■ Certificate Holders' Equity  
■ Current Liabilities

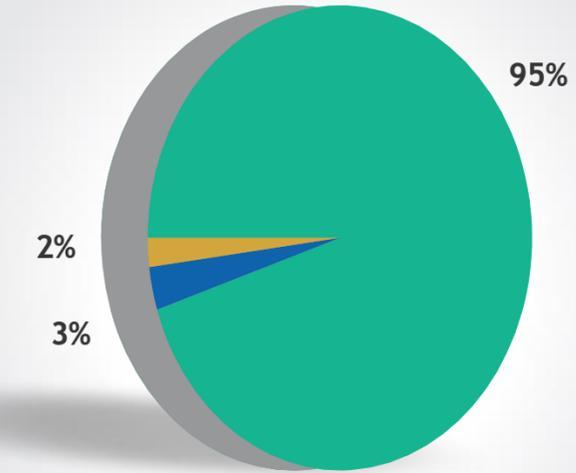
## Assets

2025



■ Financing Assets  
■ Investments  
■ Other Assets

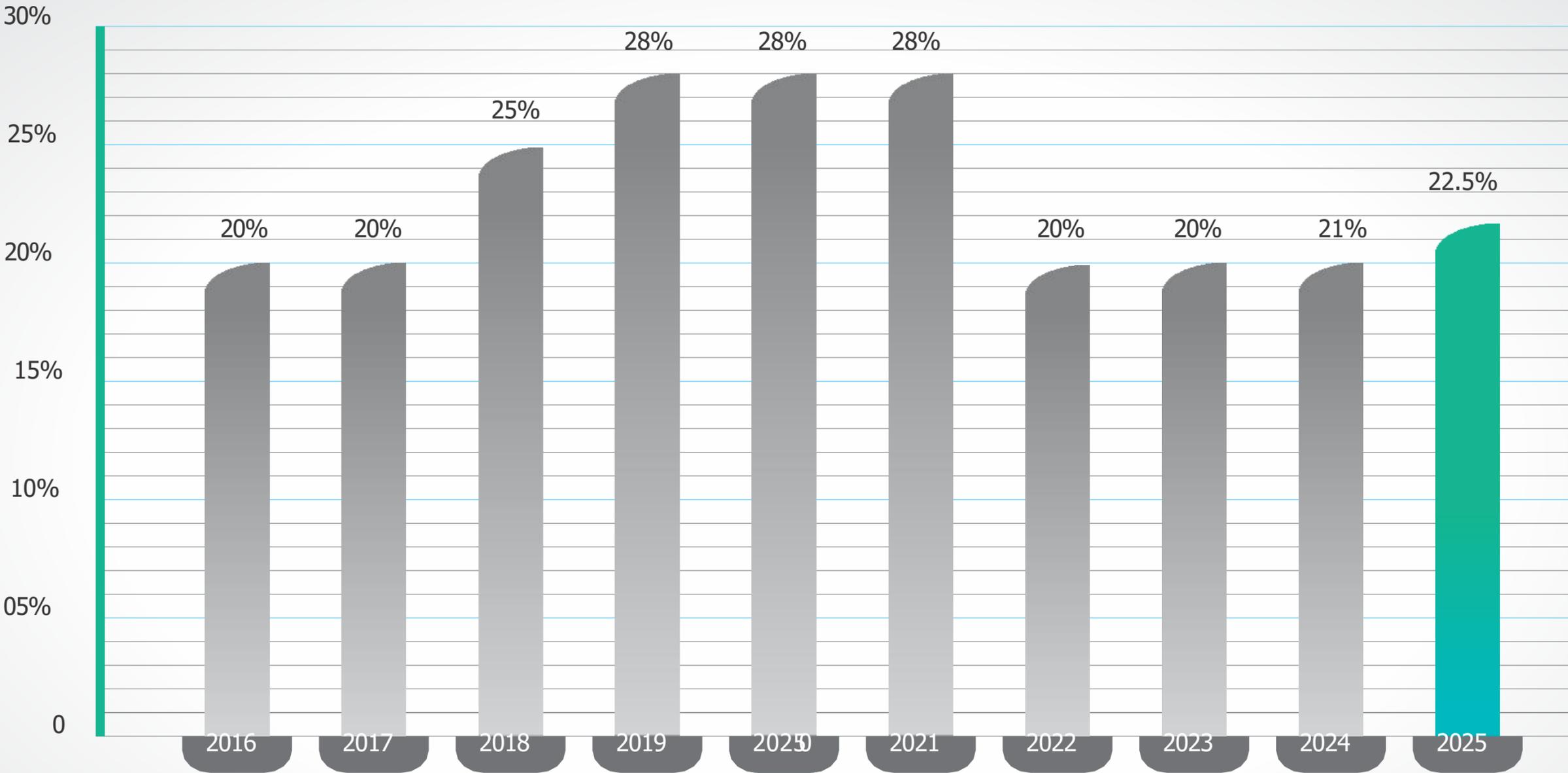
2024



■ Financing Assets  
■ Investments  
■ Other Assets



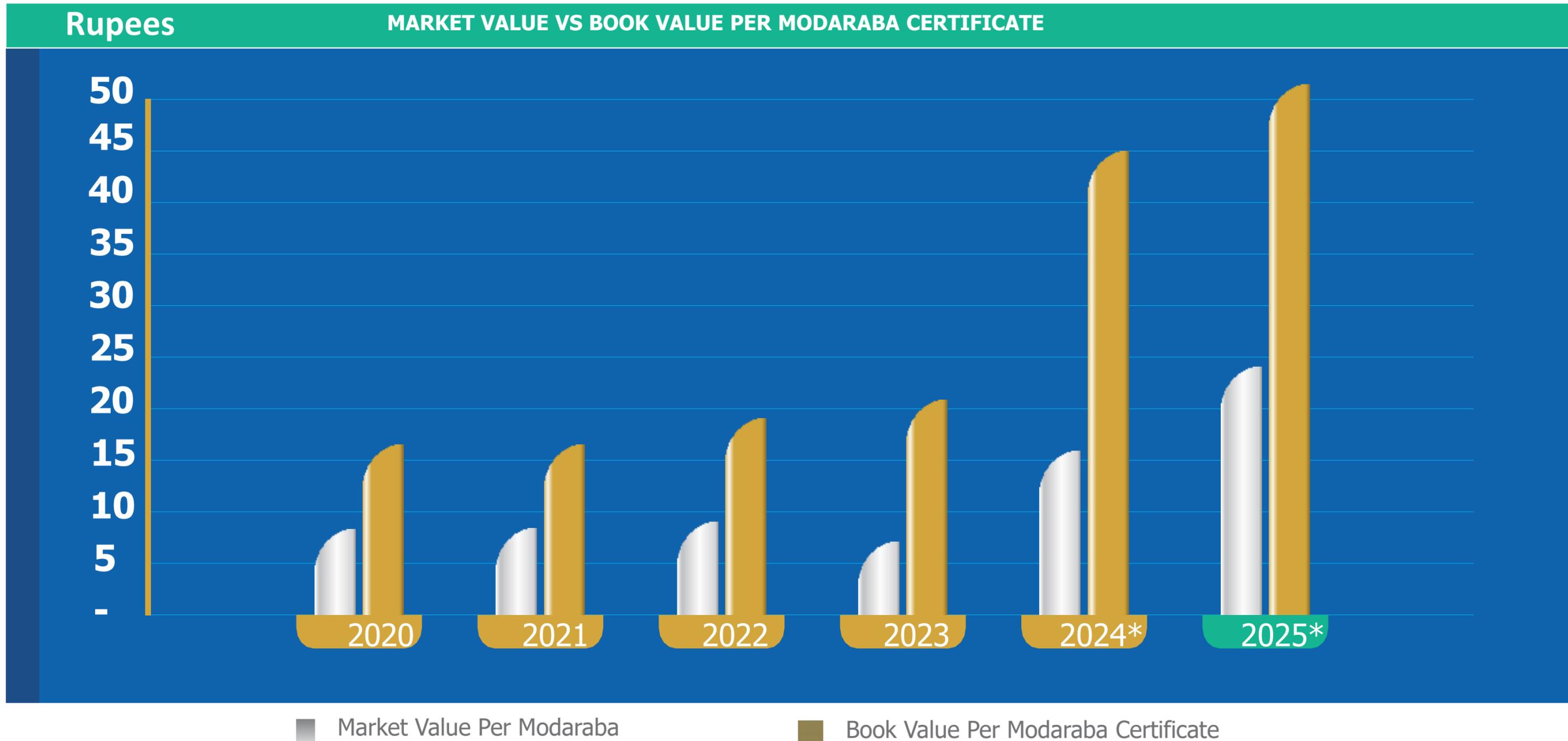
# LAST 10 YEARS AVERAGE DIVIDEND PAYMENT 23.25% PER ANNUM



**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 “**2<sup>nd</sup> 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 23<sup>th</sup> 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.

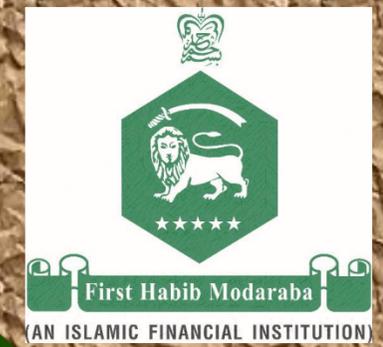


## “Best Performing Modaraba Award” Of NBFi & Modaraba Association of Pakistan

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.

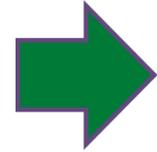


# LAST 5 YEARS ACKNOWLEDGMENTS



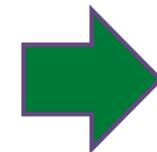
**FIRST HABIB MODARABA**  
Overall Awards  
Pakistan & International Recognitions

**Best Performing Modaraba**  
NBFI & Modaraba Association Pakistan



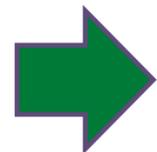
**24 Awards**

**Best Corporate Report**  
ICAP & ICMAP



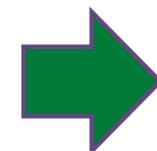
**15 Awards**

**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**  
1<sup>st</sup> 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)



# Way Forward

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**



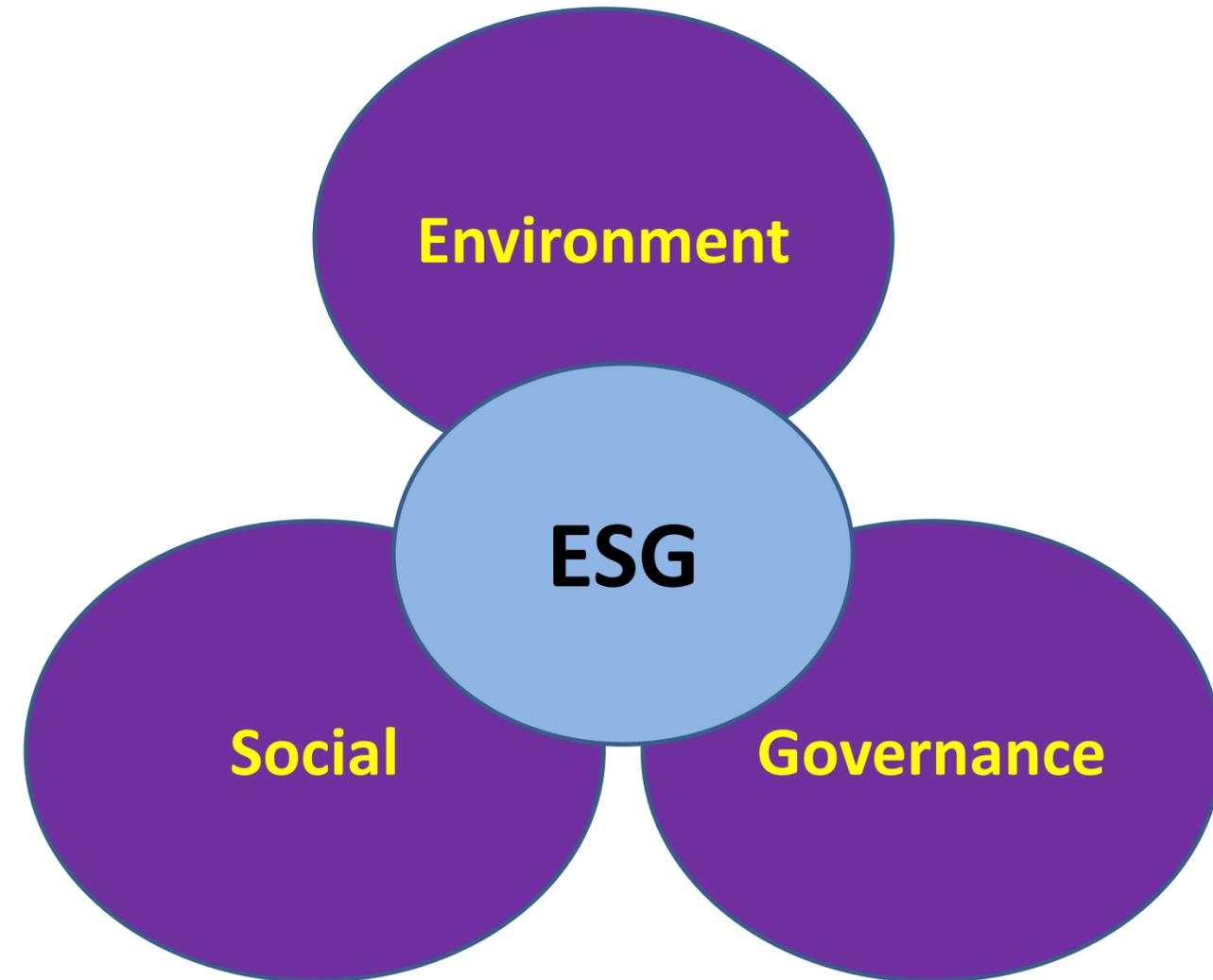
# Enhancing CSR activities for Community Through Various Support Program

## 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

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Journey of Success  
1985-2025



Wednesday, October 08, 2025

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First Habib Modaraba  
(AN ISLAMIC FINANCIAL INSTITUTION)

THANK YOU