

**FIRST FIDELITY LEASING MODARABA
MANAGED BY
FIDELITY CAPITAL MANAGEMENT (PVT.) LIMITED**

CORPORATE BUSINESS SESSION FOR THE YEAR ENDED JUNE 2023

BUSINESS

1 LEGAL STATUS AND NATURE OF BUSINESS

First Fidelity Leasing Modaraba (“the Modaraba”) was formed under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and Rules framed there under and is managed by Fidelity Capital Management (Private) Limited. The registered office of the Modaraba is situated at 93, B-1 Canal Park, Gulberg-II, Lahore. The Modaraba commenced its business operations from 5 December 1991. The Modaraba is listed on all the stock exchanges in Pakistan.

The Modaraba is a perpetual, multipurpose and multidimensional modaraba and is primarily engaged in the business of ijarah (leasing), musharika and morabaha financing, equity investment, brokerage and other related business. The Modaraba is a corporate member of the Islamabad Stock Exchange (Guarantee) Limited and National Commodity Exchange Limited.

2 BASIS OF PREPARATION

This condensed interim financial information is being submitted to certificate holders. This condensed financial information has been prepared in accordance with the International Accounting Standard as applicable in Pakistan and notified by the Securities and Exchange Commission of Pakistan (SECP). This condensed financial information should be read in conjunction with the audited annual published financial statements of the Modaraba for the year ended 30 June 2023.

This condensed interim financial information is being submitted to the certificate holders as required under Rule 10 of Modaraba Companies and Modaraba Rules 1981.

3 ACCOUNTING POLICIES

The accounting policies and methods of computations adopted for the preparation of this condensed interim financial information are the same as applied in the preparation of the preceding audited annual published financial statements of the Modaraba for the year ended 30 June 2023..

FIRST FIDELITY LEASING MODARABA

Vision

To excel in providing innovative Islamic financial Services to customers in the best possible manner.

Mission

To achieve a unique position in the Modaraba sector by developing products, foreseeing upcoming changes, endeavoring value addition, focusing on the economic and industrial growth of the country and seeking expansion in business activity.

To offer attractive returns to stakeholders as per their expectations.

To actively participate and support the transformation of our mercantile and financial sector in accordance with Sharia.

To build our institution with attributes of flexibility, innovation and foresight keeping intact prudence level and corporate discipline supported by dedicated management mindful of corporate and social obligation, maintaining high professional and ethical standards with eyes on the future.

BOARD OF DIRECTORS OF FIDELITY CAPITAL MANAGEMENT (PVT.) LIMITED

Chairman	Siyyid Tahir Nawazish
Chief Executive Officer	Mr. Wasim Ul Haq Osmani
Directors	Mr. Noor Ud Din Ahmed Mr. Muhammad Farooq Abid Tung

**FIRST FIDELITY LEASING MODARABA
PROFIT AND LOSS**

	June 2023 Rupees	June 2022 Rupees	June 2021 Rupees	June 2020 Rupees	June 2019 Rupees	June 2018 Rupees
Operating results						
Revenues	19.73	23.71	24.025	24.40	27.29	50.53
Operating loss/profit before taxation and management fee	(2.19)	(5.955)	(2.91)	('4.06)	1.38	33.36
Financial position						
Fixed assets (owned and leased out)	249.01	261.74	271.07	284.4	288.4	301.75
Total assets	357.48	365.45	374.39	377.98	382.25	399.03
Certificateholders equity	324.82	327.23	333.44	336.35	341.00	357.02
Paid up capital	264.13	264.13	264.13	264.13	264.13	264.13
Earning Profit/ (Loss) per certificate	(0.09)	(0.24)	(0.11)	(0.18)	0.04	1.26
Profit distribution (%)		-	-	-	-	6.5
Break-up value per certificate	12.30	12.39	12.62	12.73	12.91	13.52

FIRST FIDELITY LEASING MODARABA
ASSETS AND LIABILITIES

ASSETS

CURRENT ASSETS

Cash and bank balances

177,089

49,098

Profit receivable on murabaha arrangements

6,099,562

235,736

Unearned murabaha profit receivable

1,328,271

4,555,485

Ijarah rentals receivable

10,975,744

8,412,609

Short term investments under murabaha arrangements

75,942,999

75,942,999

Other receivables

5,721,380

6,795,317

Advance income tax

1,044,005

313,242

Current portion of long term advances

235,204

250,724

101,524,254

96,555,210

NON-CURRENT ASSETS

Long term advances and deposits

934,846

1,146,744

Membership
assets

3,510,000

3,510,000

Long term investments under murabaha arrangements

2,500,000

2,500,000

Fixed assets under ijarah arrangements

24,877,315

37,508,299

Property and equipment

224,134,473

224,227,384

255,956,634

268,892,427

TOTAL ASSETS

357,480,888

365,447,637

LIABILITIES**CURRENT LIABILITIES**

Accrued and other liabilities
Unclaimed profit distribution
Deferred murabaha income
Current portion of security deposits

5,560,114

4,774,032

16,863,739

16,460,819

1,328,271

4,555,485

4,202,257

4,019,000

27,954,381

29,809,336

NON-CURRENT LIABILITIES

Security deposits
Post employment benefits

4,175,250

7,947,007

528,050

463,566

4,703,300

8,410,573

TOTAL LIABILITIES

32,657,681

38,219,909

NET ASSETS

324,823,207

327,227,728

REPRESENTED BY:

Certificate capital
Statutory reserves
Accumulated loss

264,138,040

264,138,040

94,620,283

94,620,283

(33,935,116)

(31,530,595)

TOTAL EQUITY AND RESERVES

324,823,207

327,227,728

First Fidelity Leasing Modaraba

Business growth in current scenario is quite challenging in the wake of prevailing uncertainty at policy level, weak law & order situation, political instability, low expected GDP, high inflation, wobbly exchange rate fluctuations and inconsistent policies both short term and long.

In these circumstances, besides exploring new profitable avenues of business, the management of the Modaraba will very carefully utilize the available resources in Modaraba's core activities i.e. Ijarah, Morabaha and Investment in listed Securities.

Recovery from defaulting clients will remain as area of top priority.