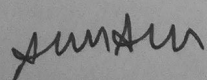


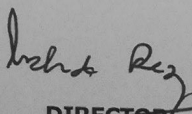
FIRST NATIONAL BANK MODARABA
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2020

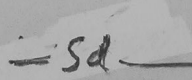
	Note	Half Year Ended		Quarter Ended	
		December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
		Rupees	Rupees	Rupees	Rupees
Income from Operations					
Ijarah rentals earned / income from ijarah finance		987,193	1,441,725	410,163	(284,532)
Profit on diminishing musharaka financing		48,277	81,532	14,189	27,812
Profit on murabaha investments		1,250,396	34,855	1,250,396	34,855
Profit on bank deposits		61,769	195,269	17,565	169,413
(Loss) / gain on adjustment of ijarah and owned assets		-	227,219	(118,011)	356,517
Profit on short term investments		3,364,269	5,075,852	1,178,958	3,333,362
		5,711,904	7,056,452	2,753,260	3,637,427
Other Income					
Reversal of provision charged for doubtful receivables	18	524,003	1,902,510	(1,375,997)	1,902,510
Other income		-	37,749	(46,707)	32,971
		524,003	1,940,259	(1,422,704)	1,935,481
Total Income		6,235,907	8,996,711	1,330,556	5,572,908
Expenses					
Depreciation on ijarah assets		(902,032)	(2,114,150)	21,815	(1,042,797)
Operating expenses		(7,950,333)	(8,311,048)	(3,719,652)	(4,381,860)
Finance cost		(8,574,712)	(10,317,666)	(4,248,438)	(2,641,983)
Total Expenses		(17,427,077)	(20,742,864)	(7,946,275)	(8,066,640)
Operating Loss before Provisions and Taxation		(11,191,170)	(11,746,153)	(6,615,719)	(2,493,732)
Provision charged for doubtful receivables - net		-	(2,598,619)	-	(2,598,619)
Modaraba Company's management fee		(11,191,170)	(14,344,772)	(6,615,719)	(5,092,351)
		-	-	-	-
Loss before Taxation		(11,191,170)	(14,344,772)	(6,615,719)	(5,092,351)
Taxation		-	-	-	-
Loss for the Period		(11,191,170)	(14,344,772)	(6,615,719)	(5,092,351)
Loss per Certificate - Basic and Diluted		(0.45)	(0.57)	(0.26)	(0.20)

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements (un-audited).

National Bank Modaraba Management Company Limited
(Modaraba Management Company)


CHIEF EXECUTIVE OFFICER


DIRECTOR


DIRECTOR

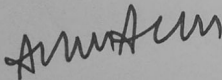

CHIEF FINANCIAL OFFICER

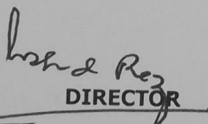
FIRST NATIONAL BANK MODARABA
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2020

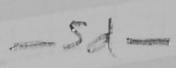
	Half Year Ended		Quarter Ended	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
	Rupees	Rupees	Rupees	Rupees
Loss for the Period	(11,191,170)	(14,344,772)	(6,615,719)	(5,092,351)
Other Comprehensive Income:				
<i>Items that will not be reclassified to profit and loss</i>				
<i>Items that may be reclassified subsequently to profit and loss</i>				
Surplus / (Deficit) on revaluation of sukuk	10,166	(157,917)	10,166	(157,917)
Other comprehensive income / (loss) for the period	10,166	(157,917)	10,166	(157,917)
Total Comprehensive Loss for the Period	<u>(11,181,004)</u>	<u>(14,502,689)</u>	<u>(6,605,553)</u>	<u>(5,250,268)</u>

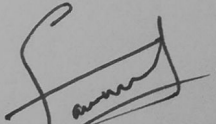
The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements (un-audited).

National Bank Modaraba Management Company Limited
(Modaraba Management Company)


CHIEF EXECUTIVE OFFICER


DIRECTOR


DIRECTOR


CHIEF FINANCIAL OFFICER

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE CERTIFICATE HOLDERS OF FIRST NATIONAL BANK MODARABA ON REVIEW OF INTERIM FINANCIAL STATEMENTS

Introduction

We have reviewed the accompanying condensed interim balance sheet of **First National Bank Modaraba** ("the Modaraba") as at December 31, 2020 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity together with the notes to the financial statements for the six months period then ended (hereinafter referred to as "interim financial statements"). Management is responsible for preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

The figures of the condensed interim profit and loss account and the condensed interim statement of comprehensive income for the quarters ended December 31, 2019 and December 31, 2020 have not been reviewed as we are required to review only the cumulative figures for the half year ended December 31, 2020.

Scope of Review

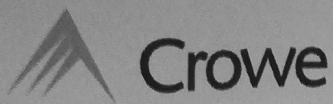
We conducted our review in accordance with International Standards on Review Engagements 2410, "Review of Interim Financial Statements performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Emphasis of Matter

We draw attention to note 1.2, of the accompanied condensed interim financial statements, which indicates that the Modaraba incurred a loss before tax of Rs. 11.191 million during the period ended December 31, 2020. As of that date the Modaraba's current liabilities exceeded its current assets by Rs. 101.302 million, its net liabilities amounted to Rs. 74.342 million and its accumulated losses amounted to Rs. 368.297 million.



Refer to Note 14, the short-term financing facility obtained from National Bank of Pakistan has not been renewed since October 31, 2019 and markup thereupon is also outstanding as disclosed in Note 14 to the financial statements. Moreover, after the issuance of Registrar Modaraba's order dated October 31, 2019, the winding up petition was filed on June 16, 2020 before the Honorable Modaraba Tribunal, Lahore. These matters indicate that a material uncertainty exists that may cast significant doubt on the Modaraba's ability to continue as going concern. Therefore, these financial statements have been prepared on the basis of estimated realizable / settlement values of assets and liabilities respectively. Estimated realizable / settlement values are based on the management's best estimate. Estimation involves judgment based on the latest available, reliable information, historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. In future, these estimates may need revision if changes occur in the circumstances on which the estimates are based or as a result of new information. Hence, the ultimate values at which assets will be realized and liabilities will be settled may be different from those carried in these financial statements. Our conclusion is not qualified in respect of this matter.

The engagement partner on the review resulting in this independent auditor's review report is Amin Ali.

LAHORE
Dated:

CROWE HUSSAIN CHAUDHURY & CO.
Chartered Accountants