



fcibank

**HALF YEARLY
REPORT
DECEMBER 31,
2022**

FIRST CREDIT AND INVESTMENT BANK LTD.

Major Joint Venture Partners:





Vision

*Be a preferred investment bank enhancing value
for the stakeholders and contributing to the
National goals.*

Mission Statement

*Contributing through innovative financing and
investment in quality portfolio, advisory services
delivered in an environment of trust and
customer confidence supported by a team of
professionals.*



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FIRST CREDIT AND INVESTMENT BANK LIMITED

BOARD OF DIRECTORS



Mr. Faisal Ahmed Topra
Chairman



Mr. Muhammad Mohsin Ali
President & CEO



Syed Irfan Husnain Rizvi
Director



Mr. Asad Ullah Saleem
Director



Mr. Masood Raza
Director



Mr. Muhammad Naeemuddin
Director



Mrs. Nina Afridi
Director



Mr. Jamal Nasim
Director

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FIRST CREDIT AND INVESTMENT BANK LIMITED

COMPANY INFORMATION

AUDIT COMMITTEE:

Mr. Jamal Nasim	Chairman
Mr. Asad Ullah Saleem	Member
Syed Irfan Husnain Rizvi	Member
Mr. Muhammad Naeemuddin	Member

HR AND REMUNERATION COMMITTEE:

Mrs. Nina Afridi	Chairperson
Mr. Faisal Ahmed Topra	Member
Syed Irfan Husnain Rizvi	Member
Mr. Muhammad Naeemuddin	Member

RISK MANAGEMENT COMMITTEE:

Mr. Asad Ullah Saleem	Chairman
Syed Irfan Husnain Rizvi	Member
Mr. Muhammad Naeemuddin	Member
Mr. Muhammad Mohsin Ali	President/CEO

COMPANY SECRETARY:

Mr. Muhammad Amin Khatri

AUDITORS:

Crowe Hussain Chaudhry & Co.
Chartered Accountants

LEGAL ADVISOR:

Ahmed & Qazi

BANKERS:

National Bank of Pakistan
MCB Bank Limited
Allied Bank Limited
FINCA Microfinance Bank Limited
NRSP Microfinance Bank Limited
Telenor Microfinance Bank Limited
Khushhali Bank Limited
U Microfinance Bank Limited
HBL Microfinance Bank Limited

SHARE REGISTRAR:

THK Associates (Pvt.) Limited
Plot # 32-C, Jami Commercial Street # 2,
D.H.A, Phase-VII, Karachi-75500.
Ph. # +92 (21) 35310191-96
Fax # +92 (21) 35310190

HEAD OFFICE / REGISTERED OFFICE:

2nd Floor, Sidco Avenue Centre,
Stratchen Road, Karachi - 74200
Pakistan.
Ph. # : 35658750-1, 35670452, 35688490
Fax. # : 35689331, 35686310
E-mail: info@fcibank.com.pk
Website: www.fcibank.com.pk

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FIRST CREDIT AND INVESTMENT BANK LIMITED

DIRECTORS' REVIEW

On behalf of the Board of Directors, we are pleased to present condensed interim financial statements (un-audited) of **First Credit and Investment Bank Limited**, reviewed by the auditors for the half year ended December 31, 2022.

Operating Results

Total income for the half year ended December 31, 2022 increased by Rs.76.74 million to Rs.134.41 million as compared to Rs.57.66 million for the half year ended December 31, 2021. The Company recorded operating profit of Rs.4.37 million for the second quarter thereby making half yearly operating profit of Rs.0.064 million during the first half year ended December 31, 2022 as compared to operating profit of Rs.0.20 million and Rs.2.55 million for the corresponding periods of last year respectively. Further, after taking effect of reversals of already made provisions against non performing investments, the Company earned profit before tax to Rs.18.72 million during the first half of FY 2022-23 as against Rs.11.87 million reported for the corresponding period of previous year. Similarly, the Company closed the first half of the current financial year by registering profit after tax of Rs.10.98 million as against profit after tax of Rs. 7.82 million posted for the corresponding period of last year. Shareholders equity net of deficit on revaluation of available for sale investments is reported at Rs.728.24 million as of December 31, 2022 against Rs.721.84 million reported as at June 30, 2022. Total balance sheet footing as of December 31, 2022 decreased to Rs.1,852.81 million from Rs.2,052.27 million as at June 30, 2022. Decrease in the balance sheet footing was on account of reduction in borrowings.

Keeping in view the current economic situation the management is re-profiling the investment portfolio and is following conservative approach towards deployment of funds focusing more on recoveries and advisory services.

Credit Rating

VIS Credit Rating Company Limited vide its report dated December 30, 2022 has reaffirmed the medium to long-term rating of the Company at 'A'(Single A) and Short-term rating at 'A-2 (A-Two). The outlook of the rating is 'Stable'.

Future Outlook

FCIBL is in the process of reorganizing its operational structure to generate more quality revenues from sources both conventional and unconventional. FCIBL is expanding its Money Market & Forex Brokerage business by hiring experts with experience from the market which would contribute more to the profitability in years to come. Similarly, expansion in treasury and money market operations has also witnessed growth during the period under review. These development in business are achieved in-spite of cut-throat competition from commercial banks and human resource challenges being faced by the entire Investment Banking sector. The Board is focusing more on expansion of our existing core business as well as diversification into new businesses as permissible under the NBF regulatory framework. Our vertical as well horizontal expansion strategy will increase revenue streams, which hopefully will be forthcoming with improvement in economic and business conditions of the country. Your Company will continue to improve its assets quality, infrastructure, build capacity through training of existing personnel and engaging professionals to diversify products and services, updating policies and procedures to meet the requirements of the new challenges and opportunities.

Acknowledgement

The directors wish to express their appreciation to our stakeholders, valued customers and financial institutions for their continued trust and patronage. We are grateful to the regulatory authorities i.e. the Securities and Exchange Commission of Pakistan, the State Bank of Pakistan and the Pakistan Stock Exchange for their continued guidance and support. We also acknowledge hard work and dedication of the management and employees.

MUHAMMAD MOHSIN ALI
President and CEO

MUHAMMAD NAEEMUDDIN
Director

Karachi:
February 25, 2023

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ڈائریکٹرز جائزہ

فرسٹ کریڈٹ اینڈ انویسٹمنٹ بینک لمیٹڈ کے بورڈ آف ڈائریکٹرز کی جانب سے ہم پہلی ششماہی کے غیر آڈٹ شدہ مختصر عبوری مالیاتی تفصیلات کا گوشوارہ بمعہ آڈیٹرز جائزہ رپورٹ بمطابق ۳۱ دسمبر ۲۰۲۲ء پیش کرتے ہوئے طمانیت محسوس کرتے ہیں۔

آپریٹنگ نتائج:

۳۱ دسمبر ۲۰۲۲ کو ختم ہونے والی پہلی ششماہی میں کمپنی کی کل آمدنی ۶.۷۴ ملین روپے اضافے کے بعد ۱۳۴.۴۱ ملین روپے رہی جو کہ پچھلے سال ۳۱ دسمبر ۲۰۲۱ کو ختم ہونے والی اسی مدت میں ۵۷.۶۶ ملین روپے تھی۔ کمپنی نے دوسری سہ ماہی میں ۴.۳۷ ملین روپے کا آپریٹنگ منافع ریکارڈ کیا جس کی وجہ سے ۳۱ دسمبر ۲۰۲۲ کو ختم ہونے والی پہلی ششماہی کا آپریٹنگ منافع ۰.۰۶۴ ملین روپے تک پہنچ گیا۔ جو پچھلے سال اسی مدت کیلئے آپریٹنگ منافع بلز تیب ۲.۰۲ ملین روپے اور ۲.۵۵ ملین روپے رہا۔ مزید یہ کہ کچھ صارفین کے اکاؤنٹ میں نقصان کے خدشات کو ملحوظ خاطر لاتے ہوئے رقم مختص کی گئی تھی ان اکاؤنٹ میں بہتری کی وجہ سے وہ رقم واپس شامل کر لی گئی ہے جس کی وجہ سے کمپنی نے سال ۲۰۲۲-۲۳ کی موجودہ پہلی ششماہی میں قبل از ٹیکس منافع ۱۸.۷۲ ملین روپے ریکارڈ کیا جبکہ پچھلے سال اسی مدت میں ۱۱.۸۷ ملین روپے قبل از ٹیکس منافع ظاہر کیا گیا تھا اسی طرح رواں مالی سال کی پہلی ششماہی کے اختتام پر بعد از ٹیکس منافع ۱۰.۹۸ ملین روپے ریکارڈ کیا گیا جبکہ پچھلے سال اسی مدت میں بعد از ٹیکس منافع ۷.۸۲ ملین روپے تھا۔ اسکے نتیجے میں شیئر ہولڈرز ایکویٹی سرمایہ کاری کی موجودہ مالیت کے مطابق اکاؤنٹ میں لینے کے بعد ۲۸.۲۴ ملین روپے ہو گئی جبکہ ۳۰ جون ۲۰۲۲ کو شیئر ہولڈرز ایکویٹی ۲۱.۸۲ ملین روپے تھی۔ ۳۱ دسمبر ۲۰۲۲ کو کمپنی کے کل اثاثہ جات کم ہو کر ۱,۸۵۶.۸۱ ملین روپے ہو گئے جو کہ ۳۰ جون ۲۰۲۲ کو ۲,۰۵۲.۲۷ ملین روپے تھے۔ مزکورہ کل اثاثہ جات میں کمی کی بنیاد قرضے میں کمی ہے۔

انتظامیہ موجودہ معاشی صورتحال کو مد نظر رکھتے ہوئے سرمایہ کاری کے پورٹ فولیو کی دوبارہ ری پروفائلنگ کر رہی ہے اور انتظامی امور کے لیے اعتدال پسندی اپنارہی ہے اور زیادہ توجہ قرضوں کی وصولیابی اور ایڈوائزری سروسز پر مرکوز ہے۔

کریڈٹ ریٹنگ:

VIS کریڈٹ ریٹنگ کی رپورٹ بتاریخ ۳۱ دسمبر ۲۰۲۲ کے مطابق کمپنی نے درمیانے سے طویل مدتی ریٹنگ کو 'A' (سنگل A) اور مختصر



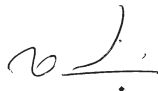
مدتی ریٹنگ کو 'A-2' پر برقرار رکھا ہے۔ ریٹنگ کا آڈٹ لک مستحکم ہے۔


مستقبل کے امکانات:

ایف سی آئی بی ایل اپنے آپریشنل ڈھانچے کو از سر نو ترتیب دے رہا ہے تاکہ روایتی اور غیر روایتی طریقوں سے اپنے ماضی کے تجربے کی بنیاد پر نئی آمدنی کے ذرائع پیدا کیے جاسکیں۔ ایف سی آئی بی ایل مارکیٹ سے نئے تجربے کا عملے کی خدمات کے توسط سے منی مارکیٹ اور فاریکس بروکرز کے کاروبار کو فروغ دینے کی کوشش کر رہا ہے جو آنے والے سالوں میں ہونے والے منافع میں اپنا کردار ادا کرے گا۔ اسی طرح ذریعہ جازہ مدت کے دوران ٹریڈی اور منی مارکیٹ آپریشنز میں اضافہ دیکھنے میں آیا ہے۔ کاروبار میں یہ ترقی کمرشل بینکوں کے ساتھ سخت مقابلے کے باوجود حاصل کی گئی۔ یہاں یہ بات مد نظر رکھنی ضروری ہوگی کہ پورے انویسٹمنٹ بینکنگ سیکٹر کو انسانی وسائل کے چیلنجز درپیش ہیں۔ یورڈ آف ڈائریکٹرز ہمارے موجودہ بنیادی کاروبار کی توسیع پر این بی ایف سی ریگولیٹری فریم ورک کے تحت نئے کاروباری ذرائع پر زیادہ توجہ دے رہے ہیں۔ ہماری عمودی اور افقی توسیع کی حکمت عملی سے آمدنی میں اضافہ متوقع ہے۔ آپ کی کمپنی اپنے اثاثوں کے معیار، بنیادی ڈھانچے کو بہتر بنانے، موجودہ پیشہ ورانہ عملے کی تربیت کے ذریعے صلاحیت میں اضافے، مصنوعات اور خدمات کو متنوع بنانے کے لیے مزید پیشہ ورانہ عملے کو شامل کرنے، نئے چیلنجوں اور مواقع کی ضروریات کو پورا کرنے کے لیے پالیسیوں اور طریقہ کار کو اپڈیٹ کرنا جاری رکھے گی۔

اظہار تشکر:

ڈائریکٹرز اپنے اسٹیک ہولڈرز، قابل قدر صارفین اور مالیاتی اداروں کا ان کے مسلسل اعتماد اور سرپرستی کے لیے تشکر کا اظہار کرتے ہیں۔ ریگولیٹری اداروں خاص طور پر سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، اسٹیٹ بینک آف پاکستان اور پاکستان اسٹاک ایکسچینج کی رہنمائی اور حوصلہ افزائی کے بھی شکر گزار ہیں۔ ہم انتظامیہ اور ملازمین کی محنت اور لگن سے کام کرنے کے معترف ہیں۔


محمد نعیم الدین
ڈائریکٹر


محمد محسن علی
پریذیڈنٹ وی ای او

کراچی۔ ۲۵ فروری ۲۰۲۳ء



FIRST CREDIT AND INVESTMENT BANK LIMITED

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of First Credit And Investment Bank Limited
Report on review of interim financial statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **First Credit and Investment Bank Limited** (the Investment Bank), as at December 31, 2022 and the related condensed interim statement of profit or loss condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the financial statements for the six-months period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of this 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.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information 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 interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting

Other Matters

The figures of the condensed interim statement of profit and loss and condensed interim statement of comprehensive income for the three months period ended December 31, 2022 and December 31, 2021 have not been reviewed, as we were required to review only the cumulative figures for the six months period ended December 31, 2022

The engagement partner on the audit resulting in this independent auditor's report is Imran Shaikh

Arumi Hussain Che

Crowe Hussain Chaudhury & Co.
Karachi

Date: February 28, 2023

UDIN Number: RR2022102077N0W58GEO

HALF YEARLY REPORT DECEMBER 2022



FIRST CREDIT AND INVESTMENT BANK LIMITED

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2022

	Note	December 31, 2022 Rupees	June 30, 2022 (Audited)
ASSETS			
Non-current Assets			
Property and equipment	6	7,404,828	11,049,586
Long-term investments	7	1,113,338,308	330,830,640
Long-term loans and finances		255,572,160	294,160,053
Net investment in finance lease	8	-	-
Term deposits receipts	9	3,000,000	-
Long-term security deposits		57,500	57,500
Deferred tax asset	10	74,878,375	78,297,354
		<u>1,454,251,171</u>	<u>714,395,133</u>
Current Assets			
Current portion of non-current assets	11	128,246,840	120,849,300
Short-term investments	12	54,865,316	1,075,776,169
Mark-up/interest accrued		58,028,859	41,383,330
Prepayments and other receivables		2,264,008	3,039,703
Advance taxation - net		28,003,650	21,174,010
Cash and bank balances		127,154,528	75,656,521
		<u>398,563,201</u>	<u>1,337,879,033</u>
		<u>1,852,814,372</u>	<u>2,052,274,166</u>
EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY			
Authorized share capital			
75,000,000 (June 30, 2022: 75,000,000) shares of Rs. 10 each		<u>750,000,000</u>	<u>750,000,000</u>
Issued, subscribed and paid-up share capital			
65,000,000 (June 30, 2022: 65,000,000) shares of Rs. 10 each		<u>650,000,000</u>	<u>650,000,000</u>
Accumulated profit			
Deficit on remeasurements of investment-net	13	125,147,148	120,840,468
Total shareholders' equity		<u>(46,907,544)</u>	<u>(49,002,656)</u>
		<u>728,239,604</u>	<u>721,837,812</u>
LIABILITIES			
Non-current liabilities			
Deferred liability - staff gratuity		9,332,258	8,148,962
Security deposit against finance lease		418,600	418,600
		<u>9,750,858</u>	<u>8,567,562</u>
Current liabilities			
Current portion of long-term loan		-	15,625,000
Current portion of lease liability		6,882,395	6,724,035
Short-term repo borrowing		1,080,619,000	1,262,741,850
Unpaid dividend		7,348,477	7,348,477
Markup / Interest accrued	14	5,066,243	17,659,346
Accrued expenses and other payables		14,907,795	11,770,084
		<u>1,114,823,910</u>	<u>1,321,868,792</u>
CONTINGENCIES AND COMMITMENTS			
	15	-	-
		<u>1,852,814,372</u>	<u>2,052,274,166</u>

The annexed notes from 1 to 21 form an integral part of these condensed interim financial statements.


MUHAMMAD KAMRAN
Chief Financial Officer


MUHAMMAD MOHSIN ALI
President & CEO


MUHAMMAD NAEEMUDDIN
Director

HALF YEARLY REPORT DECEMBER 2022



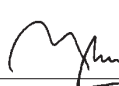
FIRST CREDIT AND INVESTMENT BANK LIMITED

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS ACCOUNT (UN-AUDITED) FOR THE SIX MONTHS AND THREE MONTHS PERIOD ENDED DECEMBER 31, 2022

Note	For the six months period ended		For the three months ended	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
----- Rupees -----				
INCOME				
Income from finance and fund placements	37,486,137	24,758,744	19,701,737	12,030,394
Income from investments	95,716,398	34,034,152	49,494,741	14,263,937
Unrealized gain/(loss) on investment classified as fair value through profit or loss account	(290)	(1,286,595)	242,298	820,674
Fees and commission	1,193,868	132,222	525,868	68,342
Other income	10,433	24,942	5,031	12,081
	134,406,546	57,663,465	69,969,675	27,195,428
LESS: EXPENDITURES				
Finance cost:				
- Mark-up on bank loans	-	2,409,189	-	1,068,499
- Mark-up on short-term running finance	-	1,834,408	-	769,646
- Mark-up on repo borrowing	86,918,136	17,083,482	37,625,351	7,285,009
- Others	169,348	462,794	78,046	193,046
	87,087,484	21,789,873	37,703,397	9,316,200
Administrative and operating expenses	47,254,816	33,322,868	27,898,559	17,681,472
	134,342,300	55,112,741	65,601,956	26,997,672
Operating income	64,246	2,550,724	4,367,719	197,756
Reversals				
Reversal against accrued mark-up	3,000,000	160,846	1,000,000	-
Reversal of provision for non-performing investments	7.1 15,660,000	9,503,607	7,710,000	7,157,762
	18,724,246	12,215,177	13,077,719	7,355,518
Workers welfare fund	(1,285)	(348,575)	(1,285)	(259,508)
PROFIT FOR THE PERIOD BEFORE TAXATION	18,722,961	11,866,602	13,076,434	7,096,010
Taxation	16 (7,741,131)	(4,044,612)	(4,769,705)	(2,375,755)
PROFIT FOR THE PERIOD AFTER TAXATION	10,981,830	7,821,990	8,306,729	4,720,255
Earnings per share - basic and diluted	0.17	0.12	0.13	0.07

The annexed notes from 1 to 21 form an integral part of these condensed interim financial statements.


MUHAMMAD KAMRAN
Chief Financial Officer


MUHAMMAD MOHSIN ALI
President & CEO


MUHAMMAD NAEEMUDDIN
Director

HALF YEARLY REPORT DECEMBER 2022



FIRST CREDIT AND INVESTMENT BANK LIMITED

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE SIX MONTHS AND THREE MONTHS PERIOD ENDED DECEMBER 31, 2022

	For the six months period ended		For the three months ended	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
	----- Rupees-----			
PROFIT FOR THE PERIOD AFTER TAXATION	10,981,830	7,821,990	8,306,730	4,720,257
Other comprehensive income				
<i>Items that may be reclassified to statement of profit or loss subsequently:</i>				
(Loss)/Gain on remeasurement of investment classified as 'fair value through other comprehensive income'	2,095,112	(18,310,409)	(5,706,567)	(11,303,255)
<i>Items that will not be reclassified to statement of profit or loss subsequently:</i>				
Remeasurement of defined benefit obligations	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>13,076,942</u>	<u>(10,488,419)</u>	<u>2,600,163</u>	<u>(6,582,998)</u>

The annexed notes from 1 to 21 form an integral part of these condensed interim financial statements.



MUHAMMAD KAMRAN
Chief Financial Officer



MUHAMMAD MOHSIN ALI
President & CEO



MUHAMMAD NAEEMUDDIN
Director

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FIRST CREDIT AND INVESTMENT BANK LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2022

	Issued, subscribed and paid-up share capital	Revenue Reserves Accumulated (loss)/profit	Deficit on remeasurement of investment classified as fair value through other comprehensive income	Total share- holders' equity
	Rupees			
Balance as at July 01, 2021 as previously reported	650,000,000	114,707,652	(14,756,757)	749,950,895
Transactions with other than owners of equity:				
Net profit for the period	-	7,821,990	-	7,821,990
Transfer from OCI on disposal	-	(1,902,843)	-	(1,902,843)
Other comprehensive income	-	-	(18,310,409)	(18,310,409)
Total comprehensive income	-	5,919,147	(18,310,409)	(12,391,262)
Balance as at December 31, 2021	650,000,000	120,626,799	(33,067,166)	737,559,633
Balance as at July 01, 2022	650,000,000	120,840,468	(49,002,656)	721,837,812
Transactions with other than owners of equity:				
Net profit for the period	-	10,981,830	-	10,981,830
Transfer from OCI on disposal	-	(6,675,150)	-	(6,675,150)
Other comprehensive income	-	-	2,095,112	2,095,112
Total comprehensive income	-	4,306,680	2,095,112	6,401,792
Balance as at December 31, 2022	650,000,000	125,147,148	(46,907,544)	728,239,604

The annexed notes from 1 to 21 form an integral part of these condensed interim financial statements.


MUHAMMAD KAMRAN
Chief Financial Officer


MUHAMMAD MOHSIN ALI
President & CEO


MUHAMMAD NAEEMUDDIN
Director

HALF YEARLY REPORT DECEMBER 2022



FIRST CREDIT AND INVESTMENT BANK LIMITED

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2022

	December 31, 2022	December 31, 2021
Note Rupees	
Cash flows from operating activities		
Profit for the period before taxation	18,722,961	11,866,602
Adjustments for non-cash and other items:		
Depreciation	1,360,096	1,582,037
Amortization	2,284,662	2,273,063
Gratuity expense	1,183,296	919,403
Dividend income	(2,483,072)	(2,218,796)
Finance cost	87,087,484	21,789,873
Reversal against accrued mark-up	(3,000,000)	-
Reversal of provision for non-performing investments	(15,660,000)	(9,664,453)
	<u>70,772,466</u>	<u>14,681,127</u>
Operating cash flows before working capital changes	89,495,427	26,547,729
(Increase) / decrease in current assets		
Prepayments and other receivables	775,695	931,467
Mark-up/interest accrued	(13,645,529)	2,064,796
	(12,869,834)	2,996,263
Increase / (decrease) in current liabilities		
Accrued expenses and other payables	3,137,711	(997,700,516)
Cash generated from operations	79,763,304	(968,156,524)
Income tax paid	(11,151,792)	(8,850,378)
Dividend received	2,483,072	2,218,796
Markup on finance cost paid	(99,522,227)	(21,355,216)
	<u>(108,190,947)</u>	<u>(27,986,798)</u>
Cash used in operating activities	(28,427,643)	(996,143,322)
Cash flows from investing activities		
Acquisition of property and equipment	-	(322,800)
Long-term investments - net	(752,252,557)	37,424,024
Term deposit receipts	(3,000,000)	
Short-term investments - net	1,014,235,703	962,726,449
Long-term loan and finances (payment) / received	18,690,354	62,979,293
Net cash generated from investing activities	277,673,500	1,062,806,966
Cash flows from financing activities		
Long-term loan repaid	(15,625,000)	(31,250,000)
Net cash used in financing activities	(15,625,000)	(31,250,000)
Net decrease in cash and cash equivalents	233,620,857	35,413,644
Cash and cash equivalents at the beginning of the period	(1,187,085,329)	(261,040,641)
Cash and cash equivalents at the end of the period	18 <u>(953,464,472)</u>	<u>(225,626,997)</u>

The annexed notes from 1 to 21 form an integral part of these condensed interim financial statements.


MUHAMMAD KAMRAN
Chief Financial Officer


MUHAMMAD MOHSIN ALI
President & CEO


MUHAMMAD NAEEMUDDIN
Director

HALF YEARLY REPORT DECEMBER 2022



FIRST CREDIT AND INVESTMENT BANK LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2022

1 STATUS AND NATURE OF BUSINESS

- 1.1 First Credit and Investment Bank Limited ("the Investment Bank") was incorporated in Pakistan on August 31, 1989 as a private company with its liability limited by shares under the name of 'First Credit and Discount Corporation (Private) Limited', converted in to a public company. Subsequently, the name of the Investment Bank was changed to First Credit and Investment Bank Limited. During the year ended June 30, 2009, the Investment Bank was listed on the Karachi Stock Exchange (now Pakistan Stock Exchange) limited by way of issue of shares to general public. The registered office of the Investment Bank is situated at 2nd floor, Sidco Avenue Centre, Strachan Road, R.A. Lines, Karachi, Pakistan. The Investment Bank is an associated undertaking of Water and Power Development Authority (WAPDA) and National Bank of Pakistan (NBP) which each holds 30.77% holding in the Investment Bank.
- 1.2 The Investment Bank is licensed to undertake business of investment finance services as a Non-Banking Finance Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 ("the NBFC Rules") issued by the Securities and Exchange Commission of Pakistan (SECP). The Investment Bank has changed its status from Deposit taking Investment Bank to Non-Deposit taking Investment Bank from July 01, 2018.

The JCR-VIS has re-affirmed the investment bank credit rating of 'A' for long & medium term and 'A-2' (A Two) for short term on December 31, 2022. The outlook of the rating is stable.

2 STATEMENT OF COMPLIANCE

These condensed interim financial statement of the Investment Bank for the six months period ended December 31, 2022 are reviewed by the auditors and has been prepared in accordance with the requirements of the International Accounting Standard - 34 "Interim Financial Reporting Standards", provisions of and directives issued under the Companies Act 2017, the NBFC Rules 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 ("the NBFC Regulations") and the other directives issued by the SECP. Wherever the requirements of the Act, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of IFRS, the requirements of the Act, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP shall prevail.

This condensed interim financial statement does not include all the information required for full annual financial statements, and should be read in conjunction with the Investment Bank's annual financial statements for the year ended June 30, 2022.

These condensed interim financial statements are un-audited but have been subject to limited scope review by the auditors as required by the Code of Corporate Governance.

3 ACCOUNTING POLICIES

In preparing this condensed interim financial information, the significant judgments made by management in applying the Investment Bank accounting policies and key sources of estimation are same as those applied by the Investment Bank in the annual financial statements for the year ended June 30, 2022.

4 FINANCIAL RISK MANAGEMENT

The Investment Bank's financial risk management objectives and policies are same as disclosed in the annual financial statements for the year ended June 30, 2022.

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FIRST CREDIT AND INVESTMENT BANK LIMITED

5 ACCOUNTING ESTIMATES AND JUDGMENTS

In preparing this condensed interim financial statement, the significant judgments made by management in applying the Investment Bank's accounting policies and key sources of estimation are same as those applied by the Investment Bank in the annual financial statements for the year ended June 30, 2022.

			December 31, 2022	June 30, 2022
	Note		Un-audited	Audited
		 Rupees	
6 PROPERTY AND EQUIPMENT				
Operating fixed assets	6.1	5,120,166	6,480,262	
Right of use assets		2,284,662	4,569,324	
		7,404,828	11,049,586	

6.1 Additions during the period ended December 31, 2022 are as under:

	For the six-months period ended		For the year ended	
	December 31, 2022		June 30, 2022	
	Unaudited		Audited	
	Additions	Disposal	Additions	Disposal
	(cost)	(cost)	(cost)	(cost)
	----- Rupees -----			
Furniture & Fittings	-	-	476,276	-
Office Equipment	-	-	224,978	-
Computer	-	-	516,083	-
Air Conditioners	-	-	477,116	-
Leasehold Improvements	-	-	358,770	-
Vehicles	-	-	-	1,335,400
	-	-	2,053,223	1,335,400

			December 31, 2022	June 30, 2022
	Note		Un-audited	Audited
		 Rupees	

7 LONG-TERM INVESTMENTS

At amortised cost

Term Finance Certificates/Sukuk - listed		32,415,276	32,415,276
Term Finance Certificates/Sukuk - unlisted		176,370,167	181,170,167
		208,785,443	213,585,443
Less: Provision against investments	7.1	(154,152,943)	(169,812,943)
		54,632,500	43,772,500

At fair value through other comprehensive income

Pakistan Investment Bonds PIBs		1,077,668,211	318,030,000
Investment in shares - quoted		952,872	1,443,416
Term finance certificate -listed	7.1	16,486,590	16,486,590
		1,095,107,673	335,960,006
Less: Provision against investments		(16,486,590)	(16,486,590)
		1,078,621,083	319,473,416
Total long-term investments		1,133,253,583	363,245,916
Less: Current portion of long-term investments		(19,915,275)	(32,415,276)
		1,113,338,308	330,830,640

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FIRST CREDIT AND INVESTMENT BANK LIMITED

	Note	December 31, 2022 Un-audited Rupees	June 30, 2022 Audited
7.1 Provision against investments			
Opening balance		186,299,533	201,109,132
Provision/(Reversed) during the period/year		(15,660,000)	(14,809,599)
Closing balance		<u>170,639,533</u>	<u>186,299,533</u>
 8 NET INVESTMENT IN FINANCE LEASE			
Lease rental receivable		-	-
Residual value		418,600	418,600
Gross investment in finance lease		418,600	418,600
Less: Unearned finance lease income		(11,670)	(11,670)
		<u>406,930</u>	<u>406,930</u>
Less: Current maturity of net investment in finance lease		(406,930)	(406,930)
		<u>-</u>	<u>-</u>
Net Investment in finance lease		-	-
 9 Term Deposit Receipts	 9.1	 <u>3,000,000</u>	 <u>-</u>
 9.1 This represent investment in term deposit receipts with National Bank of Pakistan, an associated undertaking.			
 10 DEFFERED TAX ASSETS			
The management of the Investment Bank has prepared financial projections. The said projections are based on certain key assumptions made for the estimation of future profitability. The determination of future taxable profit is most sensitive to certain key assumptions. A significant change in the key assumptions and estimates may have an effect on the recovery of the deferred tax asset. The management believes that the Investment Bank will be able to achieve the profit projected in the financial projections and consequently the deferred tax asset accounted for in the financial statements will be fully realized in the future.			
 11 CURRENT PORTION OF NON-CURRENT ASSETS			
Investments			
Current portion of term finance certificates - listed		19,915,275	32,415,276
Loans and finances			
Current portion of loans to employees		2,570,493	1,404,487
Current portion of loans to other - term finance facility (secured)		105,354,142	86,622,607
		<u>107,924,635</u>	<u>88,027,094</u>
Net investment in lease finance			
Current maturity of net investment in finance lease		406,930	406,930
		<u>128,246,840</u>	<u>120,849,300</u>



FIRST CREDIT AND INVESTMENT BANK LIMITED

		December 31, 2022	June 30, 2022
	Note	Un-audited Rupees	Audited
12 SHORT-TERM INVESTMENTS			
At fair value through other comprehensive income			
Dewan Cement Limited - Pre IPO TFCs		50,000,000	50,000,000
Provision - TFC - Dewan Cement Limited	12.1	(6,930,383)	(6,930,383)
		<u>43,069,617</u>	<u>43,069,617</u>
Investment in government securities -T-Bills		-	955,199,000
Investment in shares - listed		11,620,165	24,190,231
Mutual Funds		144,000	26,520,199
		<u>11,764,165</u>	<u>1,005,909,430</u>
At fair value through profit or loss			
Investment in shares - listed		31,534	26,797,122
		<u>54,865,316</u>	<u>1,075,776,169</u>
12.1 This investment has been classified under loss category and accordingly made 100% provision after considering FSV of the collateral held as per NBFC and NE regulations.			
12 DEFICIT ON REMEASUREMENT OF INVESTMENTS-NET			
At fair value through other comprehensive income			
Government securities		(45,187,544)	(42,545,667)
Shares long - term		(2,389,776)	(1,899,231)
Shares short - term		(14,047,314)	(13,479,454)
Mutual Fund		(378,300)	(3,877,533)
Related deferred tax (assets)		15,095,390	12,799,229
		<u>(46,907,544)</u>	<u>(49,002,656)</u>
14 Markup / Interest accrued			
Secured			
Loans and borrowings including running finances		3,506,106	16,099,209
Unsecured			
Long-term certificate of deposit		1,560,137	1,560,137
		<u>5,066,243</u>	<u>17,659,346</u>
15 CONTINGENCIES AND COMMITMENTS			
Contingencies			
There are no contingencies as at period end (June 30, 2022: Nil)			
Commitments			
There are no commitments as at period end (June 30, 2022: Nil)			



FIRST CREDIT AND INVESTMENT BANK LIMITED

December 31, June 30,
2022 2022
Un-audited Audited
..... Rupees

16 TAXATION

Current	<u>2,025,991</u>	<u>1,472,424</u>
Deferred - net	<u>5,715,140</u>	<u>2,572,188</u>
	<u>7,741,131</u>	<u>4,044,612</u>

17 EARNINGS PER SHARE (EPS)

17.1 Basic EPS

Earnings for the period	<u>10,981,830</u>	<u>7,821,990</u>
Weighted average number of shares outstanding	<u>65,000,000</u>	<u>65,000,000</u>
Earnings per share - basic	<u>0.17</u>	<u>0.12</u>

17.2 Diluted EPS

There is no dilution effect on the basic earning per share as the Investment Bank has no convertible dilutive potential ordinary shares outstanding on December 31, 2022.

December 31, June 30,
2022 2022
Un-audited Audited
..... Rupees

18 CASH AND CASH EQUIVALENTS

Cash and bank balances	<u>127,154,528</u>	<u>75,656,521</u>
Short term repo borrowing	<u>(1,080,619,000)</u>	<u>(1,262,741,850)</u>
	<u>(953,464,472)</u>	<u>(1,187,085,329)</u>

19 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated undertaking, key management personnel and retirement benefit scheme. The Investment Bank in the normal course of business carries out transactions with various related parties.



FIRST CREDIT AND INVESTMENT BANK LIMITED

Nature of relationship with related party	Nature of transactions and balances	Half year ended	
		December 31, 2022	December 31, 2021
		-----Rupees-----	
Associated undertakings	Transactions for the six month period:		
	National Bank of Pakistan (NBP holds 30.77% of FCIBL Shares)		
	Markup - paid on long term loan	-	2,409,189
	Markup - paid on short-term running finance	-	1,834,408
	Rent paid	<u>3,038,042</u>	<u>2,703,998</u>
	NBP Fund Management Limited (NBP hold 54% shares of NBP Fund Management Shares)		
	Fees & Commission Expense	<u>260,000</u>	<u>240,266</u>
	Taurus Securities Limited (NBP holds 58.32% of Taurus Securities Ltd. Shares)		
	Brokerage Expenses	<u>75,625</u>	<u>20,145</u>
Key Management Personnel	Salaries, benefits and allowances	<u>11,894,233</u>	<u>10,347,611</u>
	Retirement benefits	<u>725,460</u>	<u>717,784</u>
Staff Retirement Plans	Contributions made to staff retirement fund	<u>612,418</u>	<u>656,092</u>
Associate Undertakings	Balances as at period-end/year - end		
	National Bank of Pakistan (NBP holds 30.77% of FCIBL Shares)		
	Investment in shares at cost	<u>3,858,395</u>	<u>3,858,395</u>
	Investment in Term Deposit Receipts	<u>3,000,000</u>	<u>-</u>
	Long term loan	<u>-</u>	<u>46,875,000</u>
	Running finance facility	<u>-</u>	<u>49,999,933</u>
	NAFA Stock Fund	<u>-</u>	<u>24,827,296</u>
	NBP Income Opportunity Fund (NBP hold 54% shares of NBP Fund Management Management Company of the Fund)	<u>-</u>	<u>20,000,000</u>
Key Management Personnel	Balances as at period-end/year - end	<u>4,010,447</u>	<u>4,219,551</u>

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FIRST CREDIT AND INVESTMENT BANK LIMITED

20 FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair values of all financial instruments as at year end are based on the valuation methodology outlined below:

a) Finance and certificates of deposit

For all finances (including certificates of deposit) the fair values have been taken at carrying amounts as these are not considered materially different from their fair values based on the current yields / market rates and re-pricing profits of similar finance and deposit portfolios.

b) Investments

The fair values of quoted investments are based on quoted market prices. Unquoted investments, except where an active market exists, are carried at cost less accumulated impairment, if any, which approximates their fair value in the absence of an active market.

The Investment Bank uses following fair value hierarchy that reflects significance of inputs used in making the measurements:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

	Decemeber 31, 2022 (Unaudited)		
	Level 1	Level 2	Level 3
	Rupees		
Listed securities	54,881,070	-	-
Unlisted securities	-	11,357,224	-
	<u>54,881,070</u>	<u>11,357,224</u>	<u>-</u>
	June 30, 2022 (Audited)		
	Level 1	Level 2	Level 3
	Rupees		
Listed securities	60,655,814	-	-
Unlisted securities	-	11,357,224	-
	<u>60,655,814</u>	<u>11,357,224</u>	<u>-</u>

c) Other financial instruments

The fair values of all other financial instruments are considered to approximate their carrying amounts.

21 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information are authorized for issue on February 25, 2023 by the board of directors of the Investment Bank.



MUHAMMAD KAMRAN
Chief Financial Officer



MUHAMMAD MOHSIN ALI
President & CEO



MUHAMMAD NAEEMUDDIN
Director

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