



FIRST CREDIT AND INVESTMENT BANK LIMITED

FCIBL/L-118/09/2023

September 20, 2023

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

Subject: CORPORATE BRIEFING SESSION (CBS)

Dear Sir,

This is further to FCIBL's earlier notification dated September 13, 2023 regarding holding of Corporate Briefing Session of First Credit and Investment Bank Limited scheduled to be held on Saturday, September 30, 2023 at 11:30 am in the FCIBL Office, 2nd Floor, SIDCO Avenue Centre, Stratchen Road, Karachi.

The facility of joining the CBS of FCIBL is also available via video link facility, to brief the investors and analysts about the Company's financial performance and outlook.

Interested participants are therefore required to email following details at fcib-cbs2023@fcibank.com.pk with subject of "Registration for Corporate Brief Session" to register latest by September 29, 2023 at 2:00 pm;

Name	CNIC #	Folio # (if any)	Organization	Email address	Cell #

The presentation for the Corporate Briefing Session is attached.

The video link shall be sent to registered members / analysts on their provided email addresses.

In case of physical participation, please bring your original CNIC at the time of attending the session for identification.

We would appreciate your assistance in communicating this information to members of the Exchange.

Thanking You,

Yours truly,
For and on behalf of
First Credit and Investment Bank Ltd;

Muhammad Amin Khatri
Company Secretary



**FIRST CREDIT AND INVESTMENT BANK
LIMITED**

Corporate Briefing Presentation
September 30, 2023

At FCIBL, 2nd Floor, SIDCO Avenue Centre, Karachi
At 11:30 am

Corporate Briefing

1. History and Profile
2. Governance
3. Investment Banks- Problems / Challenges and FCIBL Standing
4. Financial Performance
5. Operations at FCIBL
6. Permitted Business under IFS License
7. Conclusion
8. Q & A



History and Profile

- ✓ FCIBL was Established in 1989-90 as Joint Venture of NDFC and WAPDA with the name of First Credit & Discount Corporation (Pvt) Ltd (FCDC)
- ✓ The initial capital was Rs. 10 million equally contributed by NDFC and WAPDA. Subsequently, in 1995-96 with Right of issue of Rs. 25 million its capital became Rs. 35 million.
- ✓ Prime function of FCDC was to develop primary and secondary market of WAPDA Bonds.
- ✓ Till 2004 FCDC handled various issues of WAPDA / CAA Bonds worth more than Rs.30.0 Billion in the capacity of advisor, arranger, market maker, paying agent, underwrite and trustee.



History and Profile

- ✓ In 2006 renamed as FCIBL.
- ✓ During 2006 it expanded its mandate & scope by obtaining License to provide Investment Finance Services (Investment Banking).
- ✓ During 2008-9, it got its shares listed on Karachi Stock Exchange by floating IPO of Rs. 250 million.
- ✓ An Investment Bank having credit rating of
(By VIS Credit Rating Company –December 30, 2022)

Long Term Rating

A

Short Term Rating

A2

Outlook

‘Stable ‘



Governance

Board of Directors

The Board of FCIBL consists of seasoned bankers and experienced professionals suitably diversified into Non Executive, Independent and Executive Directors.

1.



[Mr. Faisal Ahmed Topra](#)

Chairman of Board of FCIBL / Non Executive Director

2.



[Syed Irfan Husnain Rizvi](#)

Non Executive Director



Governance

3.



Mr. Asad Ullah Saleem

Non Executive Director

4.



Mr. Masood Raza

Non Executive Director

5.



Mr. Jamal Naseem

Independent / Non Executive Director



Governance

6.



Ms. Nina Afridi

Independent / Non Executive Director

7.



Mr. Amjad Iqbal

Independent / Non Executive Director

8.



Mr. Muhammad Mohsin Ali

President and CEO of FCIBL



Governance

COMMITTEES OF THE BOARD

There are three Committees of the Board of FCIBL as follows;

1. The Audit Committee

- a) Mr. Jamal Nasim– Chairman
- b) Syed Irfan Husnain Rizvi – Member
- c) Mr. Asad Ullah Saleem – Member



Governance

2. The HR & Remuneration Committee

- a) Ms. Nina Afridi – Chairperson
- b) Mr. Fasial Ahmed Topra – Member
- c) Syed Irfan Husnain Rizvi – Member



Governance

3. The Risk Management Committee

- a) Mr. Asad Ullah Saleem - Chairman
- b) Mr. Masood Raza - Member
- c) Mr. Amjad Iqbal - Member
- d) Mr. Muhammad Mohsin Ali - Member



Governance

Internal Controls and Compliance

FCIBL maintains high standards of governance, internal controls and risk assessment framework. Comprehensive policies and procedures have been approved by the Board covering all major spheres of operations and are reviewed and updated as per the changing requirements. The Compliance function ensures that all new and existing rules and regulations, applicable to the Company, are fully complied with. The Company's Internal Audit department works independently under the direct supervision of Audit Committee of the Board.



Governance

Due to sound internal control and compliance function

- FCIBL has never defaulted to any of its financial commitment
- FCIBL has never asked for any waiver/ write off or restructuring from its creditors / depositors.
- No adverse findings



Governance

Environmental and Corporate Social Responsibility

FCIBL is fully aware of its environmental and Corporate Social Responsibilities and is ready to support social and environmental causes of the country. FCIBL also maintains compliance to all governmental and internal health, safety and the environment measures. Facilities and conducts of operations are designed in a way that avoids risk to human health, safety and the environment. FCIBL has also been contributing toward social cause.



Investment Banks- Problems / Challenges and FCIBL Standing

There are three major problems / challenges that Investment Banks in Pakistan have been facing since last many years.

Liquidity Issue :

Non availability of borrowing lines from Commercial Banks

Competition :

Throat-cut competition with Commercial Banks due to
Absence of level playing field

Human Resource :

Scarcity of Investment Banking Professionals



Investment Banks- Problems / Challenges and FCIBL Standing

(continued)

- Since the global financial crises of 2008, business activities of almost all the investment banks had become dormant.
- Majority of investment banks incurred huge losses since the global financial crises of 2008 till 2018 aggregating to more than Rs.7.0 billion. FCIBL's net loss during this period was less than 1% of the total.



Investment Banks- Problems / Challenges and FCIBL Standing

(continued)

- Despite problems and challenges, FCIBL has been sustainable in doing its business during hard times. Its credit rating never went below investment grade. Rather, its medium to long term rating was upgraded during 2020-21 to 'A' from 'A-' by VIS Credit Rating Company.
- FCIBL has been profitable since its inception in 1989-90 except losses reported during three years (2010-13).



Investment Banks- Problems / Challenges and FCIBL Standing

(continued)

- FCIBL built up its equity to more than Rs.400 million through internal profits before going to listing in August 2008.
- FCIBL is gradually expanding its business activities permissible under NBFC regulatory regime.



Investment Banks- Problems / Challenges and FCIBL Standing

(continued)

- FCIBL has paid substantial Cash Dividend apart from Stock Dividend of Rs.365.0 million since its inception.
- It is the only Investment Bank which has paid Cash Dividend in the year 2019 after such a long time, despite facing challenges.



Financial Performance
Shareholders' Equity
As at June 30, 2023
(Rs. In million)

	No. of Shares	Amount
Initial paid up capital (1989-90)	1.0	10.000
Right Issue (1995-96)	2.5	25.000
Bonus Issues (various years)	<u>36.5</u>	<u>365.000</u>
Pre-IPO Capital	40.0	400.000
IPO (August 2008) – (General Public)	<u>25.0</u>	<u>250.000</u>
Paid-up capital	65.0	650.000
Unappropriated profit-net of deficit		<u>73.913</u>
Equity		<u>723.913</u>
Break-up value per share (Rs.)		<u>11.14</u>



Financial Performance (SOFP)

Particulars	June 30, 2023	June 30, 2022	June 30, 2021
<u>EQUITY & LIABILITIES</u> ----- Rupees in thousand -----			
<u>Paid up capital</u>	650,000	650,000	650,000
<u>Reserves</u>	127,706	120,840	114,708
<u>Deficit on AFS inv</u>	(53,793)	(49,003)	(14,757)
	723,913	721,838	749,951
<u>Bank Borrowings</u>	1,075,561	1,278,367	478,117
<u>Other Liabilities</u>	51,836	52,069	1,043,970
	1,851,310	2,052,274	2,272,038
<u>ASSETS</u>			
<u>Investments</u>	1,185,087	1,439,022	1,542,945
<u>Financing</u>	334,073	382,594	439,859
<u>Bank balances</u>	122,124	75,657	138,951
<u>Other assets</u>	210,026	155,001	150,283
	1,851,310	2,052,274	2,272,038



Financial Performance (Profit & Loss)

Particulars	June 30, 2023	June 30, 2022	June 30, 2021
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----- Rupees in thousand -----

<u>INCOME</u>	279,322	134,082	145,036
<u>OPERATING PROFIT</u>	1,669	(1,770)	17,006
<u>PROFIT BEFORE TAX</u>	30,434	13,583	29,435
<u>PROFIT AFTER TAX</u>	12,994	8,189	20,535



Operations at FCIBL

FCIBL's existing business activities consist mainly of the following operations.

- Corporate Finance Activities
- Investment Banking Activities
- Treasury & Money Market Activities
- Arbitrage Business
- Capital Market Activities
- Fee Oriented MM & FX Brokerage Business



Permitted Business under IFS License

As permitted under the NBFC regulatory regime, FCIBL being the license holder of Investment Finance Services is also permitted to undertake;

- Leasing Business
- Housing Finance Services
- Discounting Services
- Money Market Brokerage Business

During the FY 2021-22 FCIBL started Money Market & Fx brokerage business which will contribute more to the profitability in years to come. FCIBL may explore other permitted businesses at suitable time in future.



Conclusion

FCIBL's performance since its inception has been satisfactory. The Board and management has always adopted prudent approach for which it has in placed sound internal controls, risk management system and significant policies.

Despite many challenges being faced, FCIBL has been able to operate at sustainable footings and has significant potential to grow further.

After a consolidation phase, FCIBL is in a position to gear up its operations in permitted activities.

With the support of Sponsors and Shareholders and under the guidance of Board of Directors, the management is confident to expand its operations on horizontal and vertical format, improve its assets quality, infrastructure and build capacity to meet the requirements of new challenges and opportunity.



Q & A



THANK YOU

