MCB-ARIF HABIB
Savings and Investments Limited

Corporate Briefing Session
FY 2020-21
November 16th, 2020

Company Profile

- MCB-Arif Habib Savings and Investments Limited (MCBAH) was incorporated on August 30th, 2000, as an unquoted public limited company;

- In 2008, MCBAH was listed by way of offer for sale of shares;

- On January 19, 2011, a transfer agreement was signed between Arif Habib Corporation Limited (AHCL) [the then parent of the Company] and MCB Bank Limited (MCB Bank) [the then parent of MCB Asset Management Company Limited (MCB AMC)] for transfer of the entire business of MCB AMC to the Company; and

- On June 27, 2011, the scheme of amalgamation ("the Scheme") was approved by the shareholders of the respective Companies in their extraordinary general meetings.

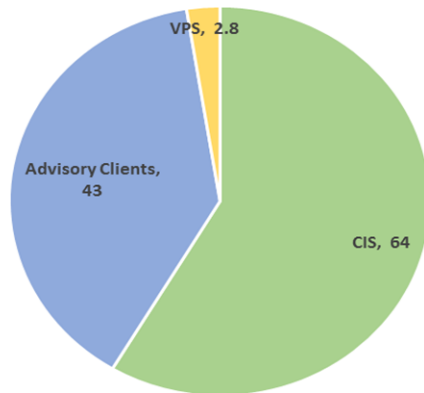|	
Commencement of Operations	2000
Head Office	Karachi
Major Sponsors	MCB Bank Limited (51.33 per cent)
	Arif Habib Corporation (30.09 per cent)
Asset Manager Rating	AM1
Presence across Pakistan	15 cities

Performance Summary – 2019-20

- Company achieved the highest Asset Manager rating of **AM1** on June 2020 review by PACRA;

- Over all AUM grew by <u>37 per cent</u> from Rs. 79.9 billion to **Rs. 109.3 billion** on YoY basis;

- AUMs of the CIS grow by <u>46 per cent</u> from Rs. 45.6 billion to **Rs. 66.7 billion** on YoY basis;

- Advisory portfolios increase by <u>24 per cent</u> on yearly basis from Rs 34.2 billion to **Rs. 42.5 billion**;

- Operating profit of the Company increased by <u>89 per cent</u> from Rs. 112 million to **Rs. 211 million**;

- Investment Income during the year stands at **Rs. 126 million** as compare to loss of Rs. 46 million in previous year;

- Net profit after tax for the year stands at **Rs. 257.7 million** compared to last year profit of Rs. 24.2 million; and

- <u>One off / new expenses booked during the year</u>: Additional charge of Rs 20.4 million as depreciation expense post adoption of IFRS 16;
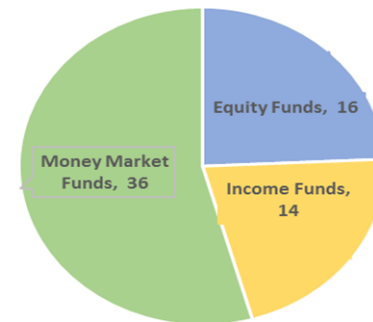
Dashboard – June 2020

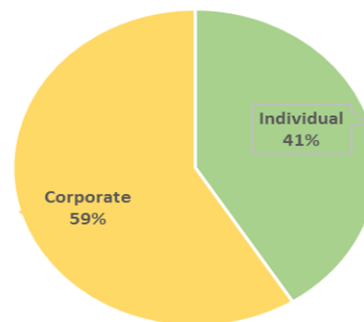**|AUMs Rs 109b⬆|Net Profit (YTD) Rs 257.7m ⬆|PSX 34,422 (YTD 1.53%⬆) 3M Kibor 7.26% (YTD 637bps⬇)|**

AUMs Category wise (Rs 109 Billion)
- VPS, 2.8
- Advisory Clients, 43
- CIS, 64

AUMs Funds wise (Rs' Billion)
- Equity Funds, 16
- Money Market Funds, 36
- Income Funds, 14

AUMs Segmentwise
- Individual 41%
- Corporate 59%

MCBAH Market Share

Market Share June 2020 - Industry AUM PKR 908 Billion

MCBAH, 12.0%

Others, 88.0%
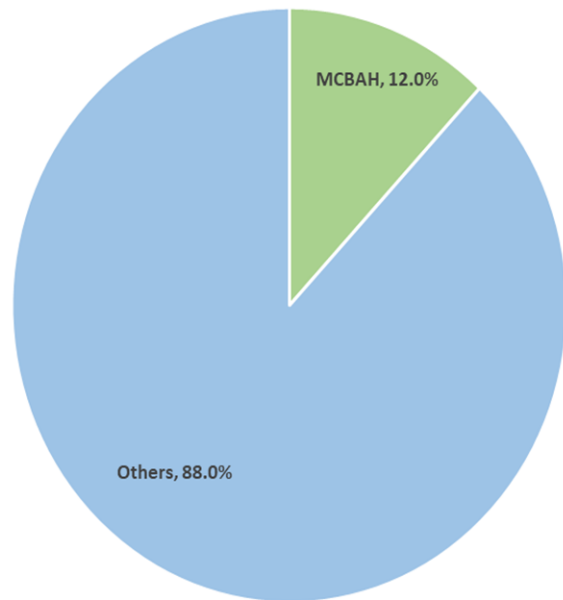
Market Share June 2019 - Industry AUM PKR 639 Billion

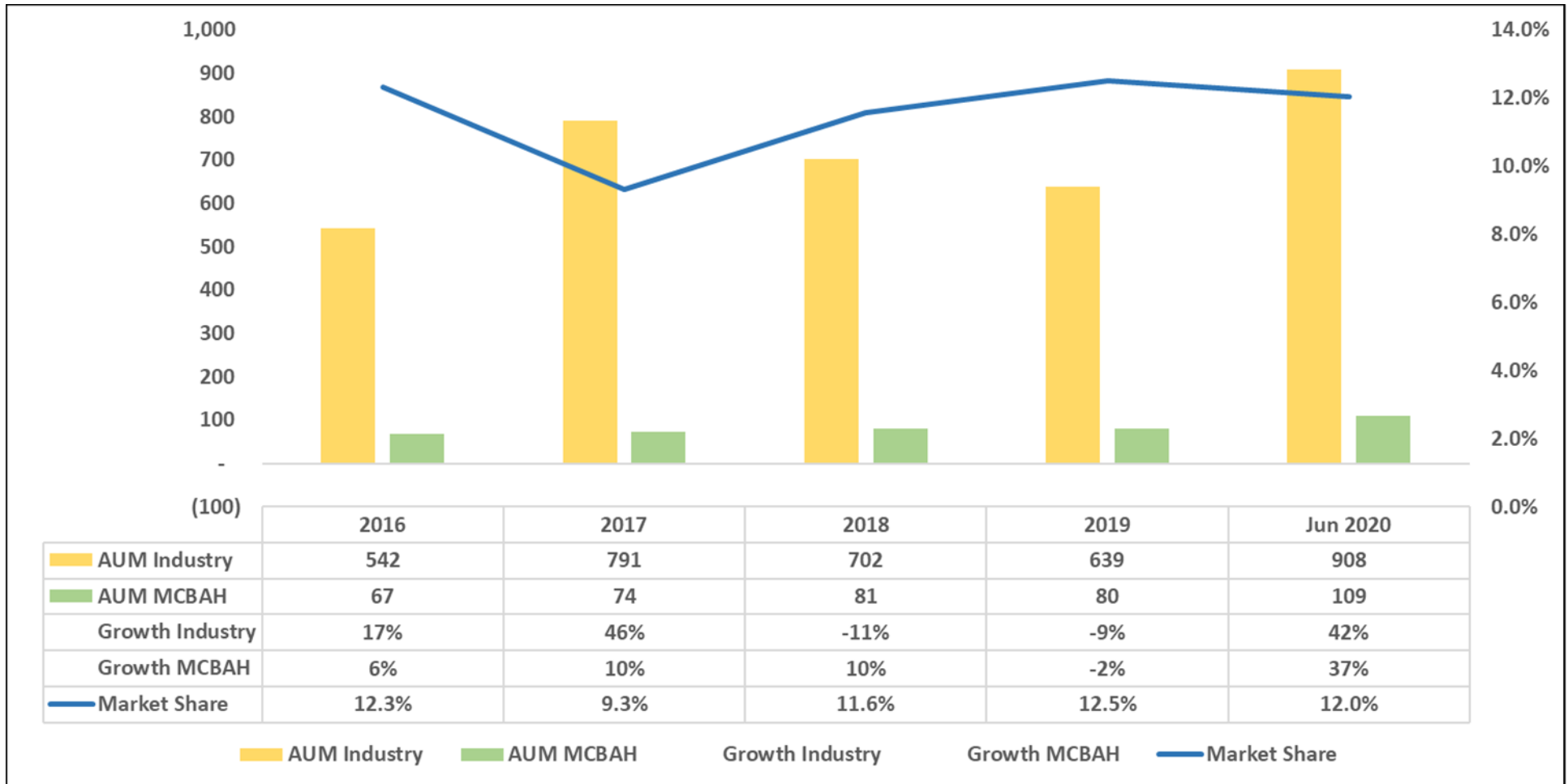MCBAH, 12.5%

Others, 87.5%
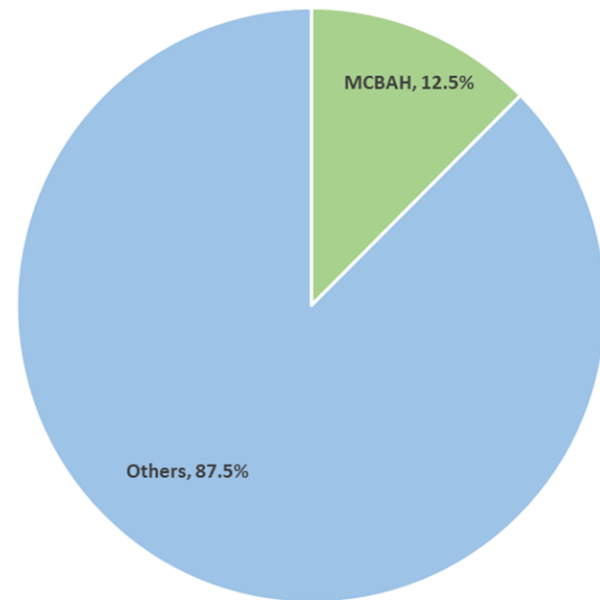
Source: MUFAP & SECP data used for Industry AUM

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YoY AUM & Market Share with Growth Rate - Industry vs MCBAH

	2016	2017	2018	2019	Jun 2020
AUM Industry	542	791	702	639	908
AUM MCBAH	67	74	81	80	109
Growth Industry	17%	46%	-11%	-9%	42%
Growth MCBAH	6%	10%	10%	-2%	37%
Market Share	12.3%	9.3%	11.6%	12.5%	12.0%

Source:
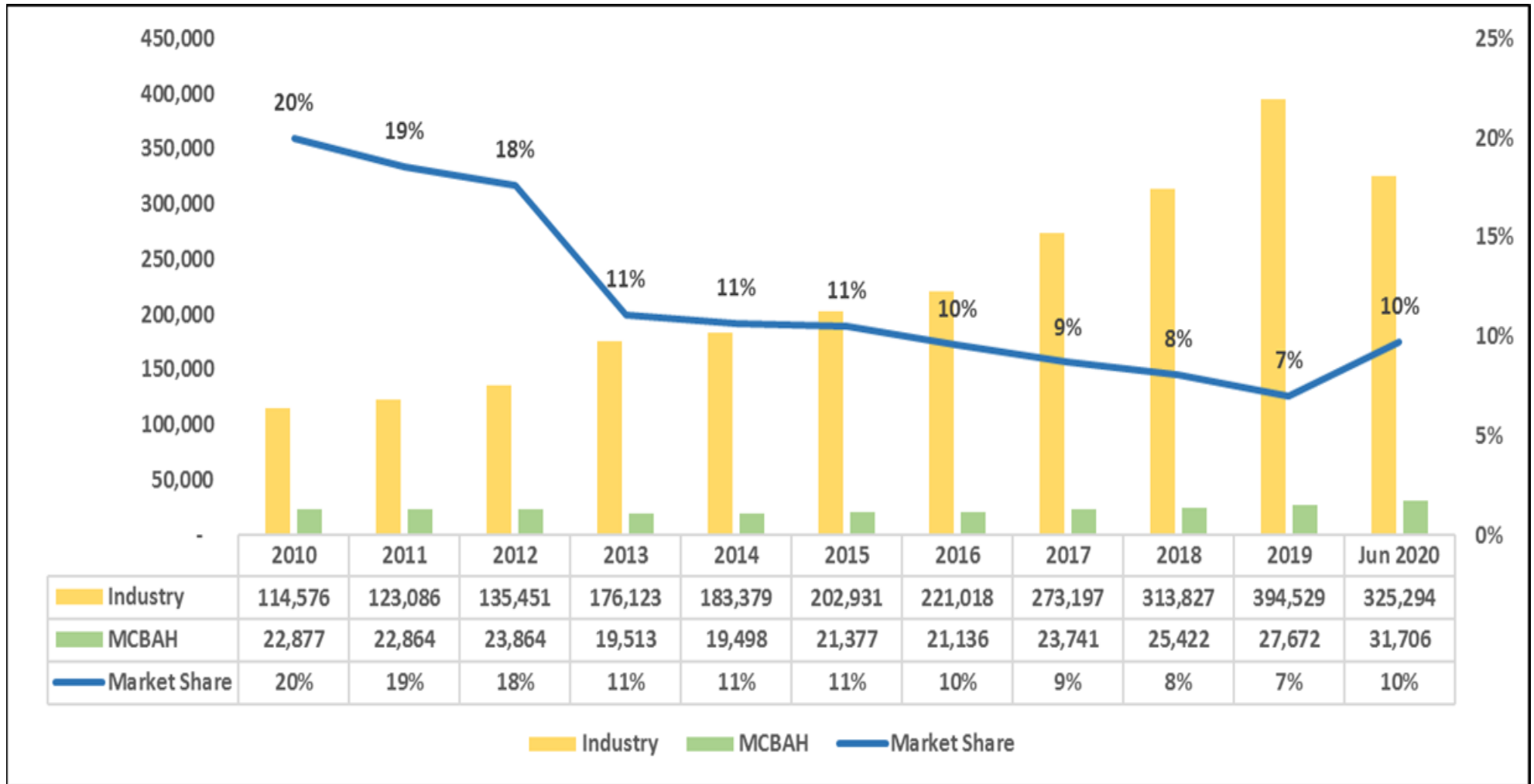*Industry data from Year 2010 – 2019 is from MUFAP year book 2019*
Industry data of June 2020 is as per MUFAP Website
Above numbers are as of December of each year while Advisory numbers are as of June each year

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YoY Number of Investor - Industry vs MCBAH

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Jun 2020
Industry	114,576	123,086	135,451	176,123	183,379	202,931	221,018	273,197	313,827	394,529	325,294
MCBAH	22,877	22,864	23,864	19,513	19,498	21,377	21,136	23,741	25,422	27,672	31,706
Market Share	20%	19%	18%	11%	11%	11%	10%	9%	8%	7%	10%

Industry   MCBAH   Market Share

Source:
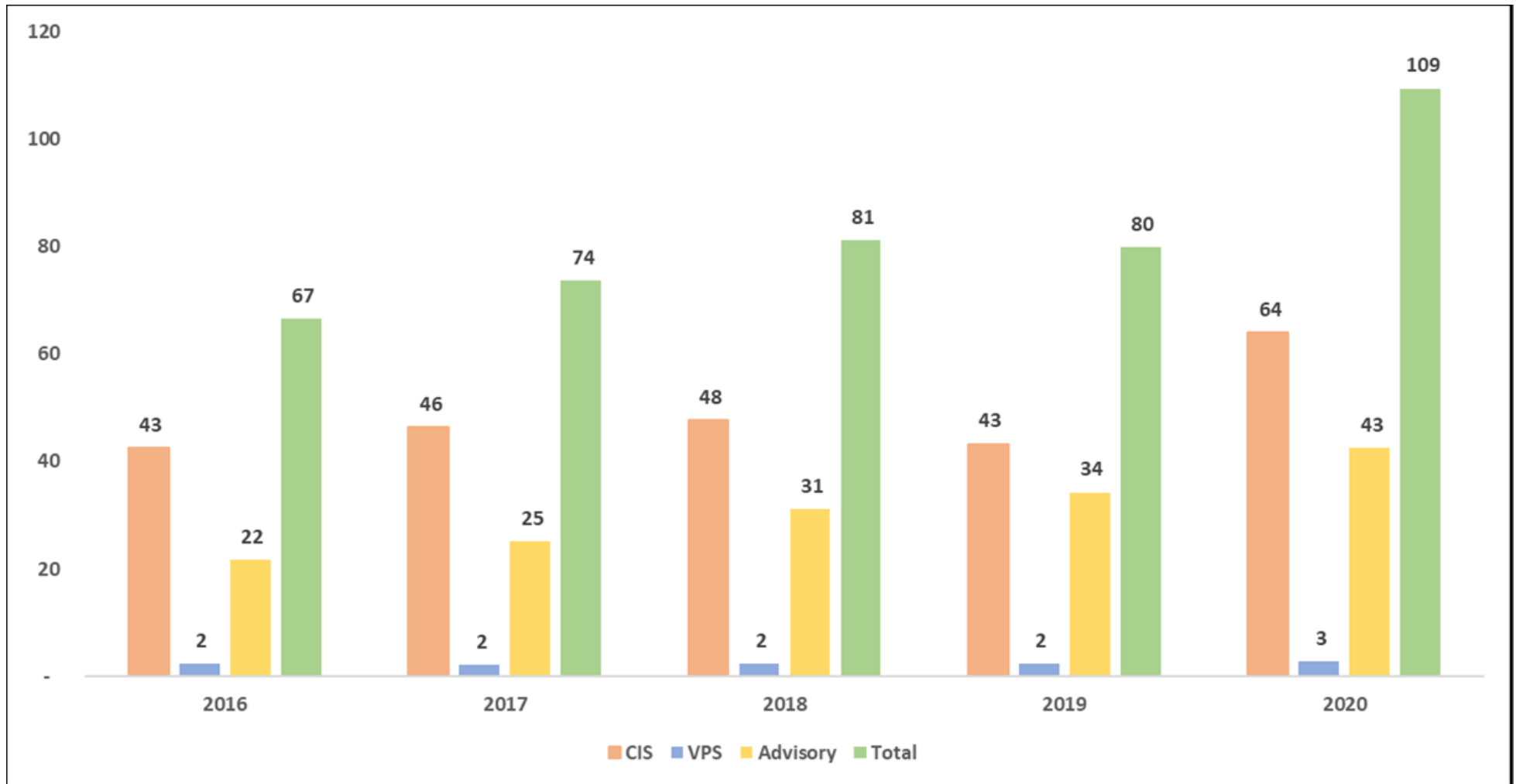*Industry data from Year 2010 – 2019 is from MUFAP year book 2019*
Industry data of June 2020 is as per MUFAP Website
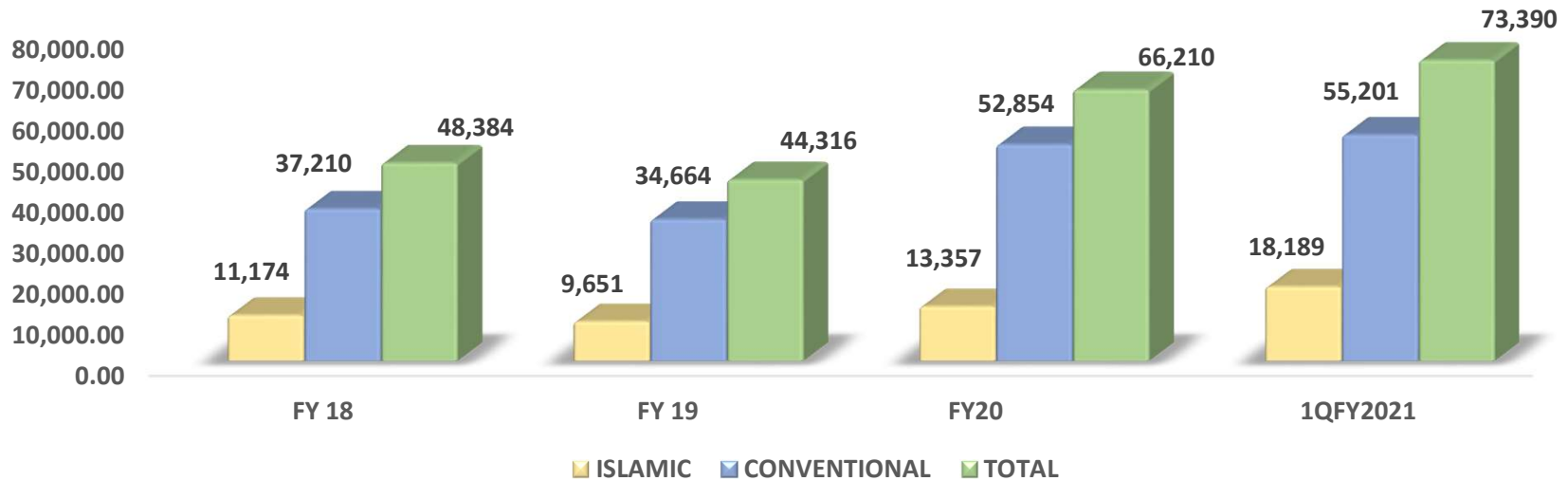*Above numbers are as of December of each year*

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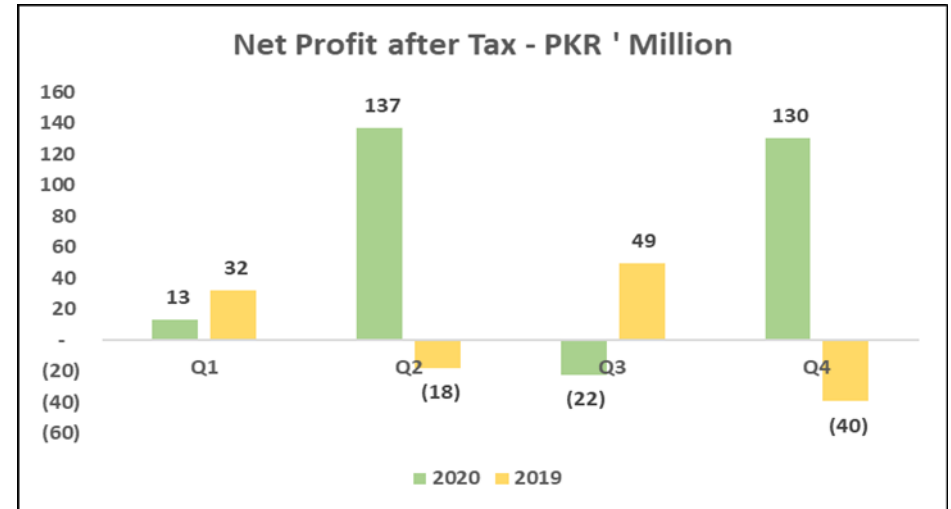
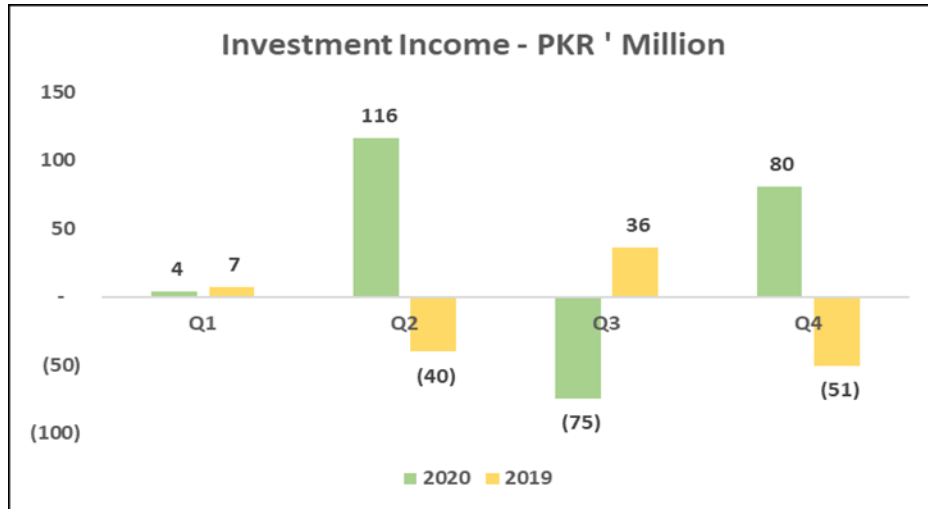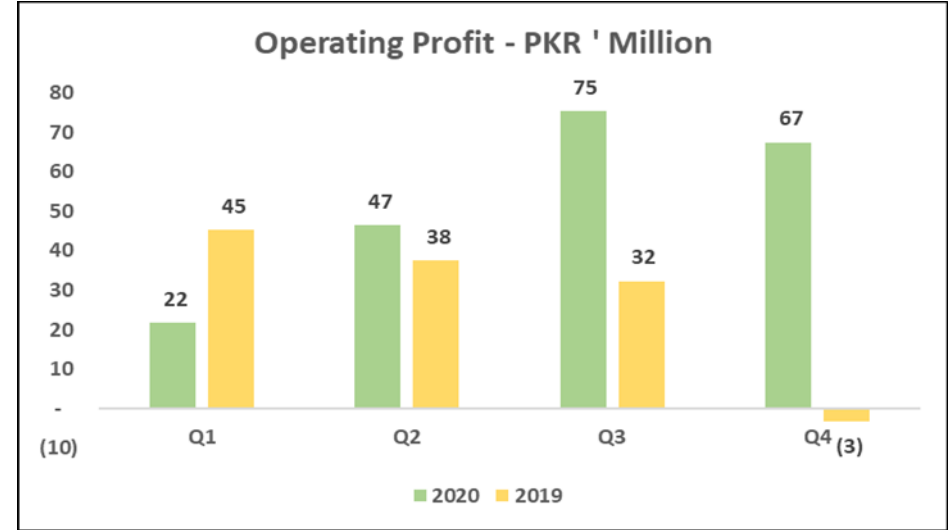# Break up of Assets under Management

Conventional Vs Islamic - MCBAH

(Values in millions)

	FY 18	FY 19	FY20	1QFY 20-21	Growth in Quarter	% Growth
ISLAMIC	11,173.86	9,651.43	13,356.73	18,189.47	4,832.74	**36.18%**
CONVENTIONAL	37,210.46	34,664.40	52,853.61	55,200.81	2,347.20	4.44%
TOTAL	48,384.32	44,315.83	66,210.34	73,390.28	7,179.94	10.84%

Financial Highlights – FY 2020 vs 2019

AUM - PKR ' Billion

Operating Profit - PKR ' Million

Investment Income - PKR ' Million

Net Profit after Tax - PKR ' Million
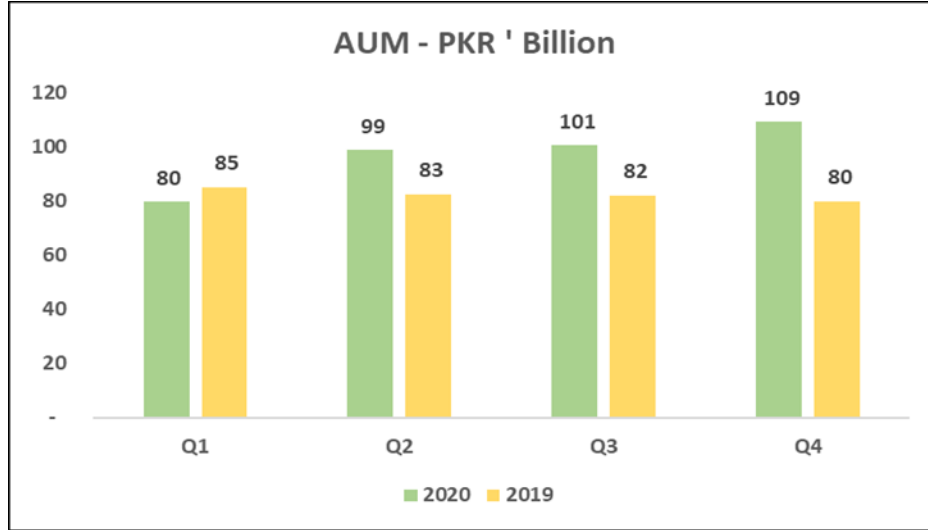
Financial Highlights – Cont'd …

Top 5 Funds AUM wise (Rs' Billion)

Fund	Value
MCB CASH MANAGEMENT OPTIMIZER	19.4
PAKISTAN STOCK MARKET FUND	8.9
MCB DCF INCOME FUND	4.4
ALHAMRA ISLAMIC INCOME FUND	3.3
PCF	3.0
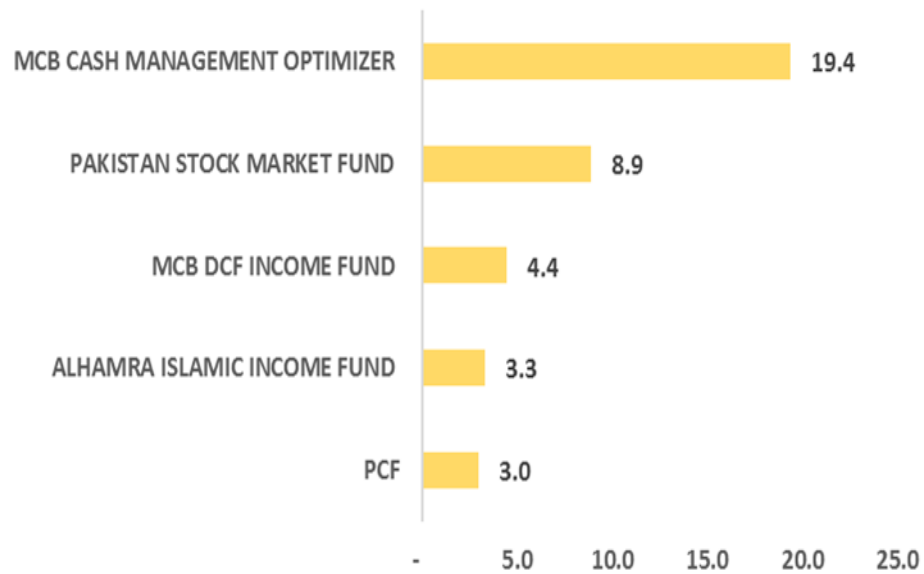
Top 5 Funds Revenue wise (Rs' Million)

Fund	Value
PAKISTAN STOCK MARKET FUND	286
MCB CASH MANAGEMENT OPTIMIZER	150
MCB DCF INCOME FUND	85
ALHAMRA ISLAMIC STOCK FUND	84
ALHAMRA ISLAMIC ASSET ALLOCATION FUND	75
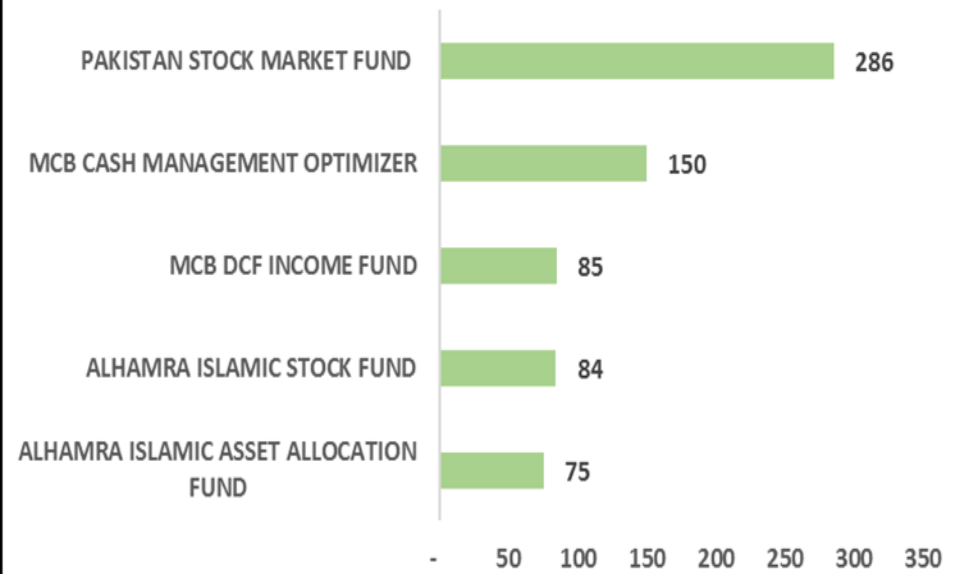
Financial Details

Statement of Profit or Loss Account	Jun-20	June-19	June-18	June-17	June-16
Management Fee / Investment Advisory Fee	673,852	730,643	701,640	663,730	703,548
Income from Investments	129,876	(45,812)	(20,093)	122,480	52,872
Other Income	36,617	39,034	74,997	22,015	25,948
	840,345	723,865	756,544	808,225	782,368
Expenses					
Administrative expenses	(415,166)	(438,830)	(458,559)	(345,287)	(285,558)
Selling and distribution expenses	(64,841)	(192,057)	(96,922)	(170,352)	(139,117)
Other expenses	(15,237)	(7,813)	(4,493)	(6,628)	(7,883)
	(495,244)	(638,700)	(559,974)	(522,267)	(432,558)
Profit before taxation	345,101	85,165	196,570	285,958	349,810
Taxation	(87,432)	(60,930)	(72,381)	(83,764)	(110,701)
Profit for the year	257,669	24,235	124,189	202,194	239,109
Earnings Per Share	3.58	0.34	1.72	2.81	3.32

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Question & Answers

Thank You