

**FAREAST FINANCE & INVESTMENT LTD.**

Updated on: 17.09.2013

**Public Issue Details:**

<b>No. of Shares</b>	: 45,000,000 ordinary shares @ Tk. 10
<b>Issue Manager</b>	: GRAMEEN CAPITAL MANAGEMENT LIMITED
<b>Auditor</b>	: AHMED ZAKER & CO.
<b>IPO Proceeds</b>	: Tk. 450.00 Million

**Usage of IPO Proceeds:**

Particulars	Amount (In Million)
Investment, industrial development, leasing, lending, refinancing etc. and refund of high cost borrowing of the Company	Tk. 450.00 Million
<b>Total</b>	<b>Tk. 450.00 Million</b>

\*\*\*Borrowings from other banks, financial institutions and agents as on December 31, 2011 is  
Tk. 1,888.11 Million

**Capital Structure:**

Particulars	No. of Share (In ML)	Amount (In ML)
<b>Pre IPO:</b>		
Authorized Capital	200.00	Tk. 2000.00
Issued & Fully paid-up capital as per audited accounts as on 31.12.2011	104.60	Tk. 1046.02
Raising of paid up capital (raising of paid up capital by issuing 10% bonus share which has been approved by SEC vide letter no. SEC/CI/CPLC-05/2001/1286 dated May 14, 2012)	10.46	Tk. 104.60
Total paid up capital before IPO (Considering 10% bonus share for the year 2011)	115.06	Tk. 1150.62
<b>Post IPO:</b>		
To be issued as IPO	45.00	Tk. 450.00
<b>Paid up capital (Post IPO)</b>	<b>160.06</b>	<b>Tk. 1600.62</b>

**Company Insight:**

Fareast Finance & Investment Limited (FFIL) was incorporated in Bangladesh as a public limited company on June 21, 2001 under The Companies Act, 1994. The company commenced its business on 21 June of the same year. The company obtained license from Bangladesh Bank as a Non-Banking Financial Institution under the Financial Institution Act, 1993 on July 03, 2001 to operate as a leasing and financing company as provided under the relevant law. On 01 January 2002, FFIL initiated its commercial operation.

**Nature of Business:**

The company extends lease finance for all types of machinery, equipment, household durables including vehicles for the purpose of industrial, commercial, agricultural and personal use in Bangladesh and also term finance to its clients within the purview of the Law.

**Company Snapshots:**

<b>Sector</b>	: NBF1
<b>Paid Up Capital</b>	: Tk. 1150.62 Million (Pre IPO)
<b>Paid Up Capital</b>	: Tk. 1600.62 Million (Post IPO)
<b>EPS (Pre IPO)</b>	: Tk. 1.04
<b>EPS (Post IPO)</b>	: Tk. 0.18 (HY ~ 0.09)
<b>Sector P/E</b>	: 26.87 Times
<b>NAV</b>	: Tk. 11.59
<b>Year End</b>	: December

**Associates, subsidiary/related holding company:**

Name of the Company	Relation	Nature of business of the company
Fareast Stocks & Bonds Limited	Associate Company (50% shares holding)	Act as depository participant and stock dealer.

**Customer providing 10% or more Revenues:**

Fareast Stocks & Bonds Limited, an associate of FFIL is one of the customers provided 37.17% of revenue in the year 2011.

**Financial Performance:**

Particulars	2011	2010
Interest Income	678.45	435.05
Interest Expenses	(505.66)	(370.05)
Net Interest Income	172.78	64.99
Investment Income	(16.78)	234.70
Other Operating Income	71.76	133.04
Total Operating Expenses	(58.99)	(62.10)
Operating Profit	172.59	375.60
Net Income	108.60	228.08
Paid Up Capital	1,046.01	871.68
Total Shareholder Equity	1,732.84	1,624.25
Fixed Assets	24.14	11.88
Fixed Deposit	204.88	107.29
Cash Flow From Operating Activities	243.27	(1,049.34)
Unclassified Loans	4,568.84	3,554.95
Classified Loans	375.40	313.46
<b>Loan, Advances &amp; Leases</b>	<b>4,944.25</b>	<b>3,868.42</b>
<b>Term Deposits</b>	<b>2,322.86</b>	<b>1,171.20</b>

**Ratio:**

Particulars	2011	2010
Return on Assets	1.84%	6.28%
Return on Equity	6%	14%
EPS	1.04	2.18
EPS Growth	-52.29%	-
Loan-Deposit Ratio	212.85%	330.30%
% of classified loans, advances and leases	7.59%	8.10%
Cost of Fund	14.76%	12.18%

**Asset Depreciation:**

Types of Asset	Rate of Depreciation
Furniture	18%
Office equipment	20%
Office software	20%
Office crockery	20%
Motor vehicle	20%

**Dividend:**

The Board of Directors of Fareast Finance & Investment Limited unanimously agreed and recommended 10% Stock Dividend i.e., 1B:10 (One bonus share for every ten shares of Tk. 10/- each) for the year ended 31st December 2011 and approved by the shareholders in the 11th AGM and subsequently applied to SEC for approval.