



# Analyst Briefing

For the Quarter and Nine Months ended September 30, 2023

# Basic facts

Sponsors

Fauji Group (71.91%)

**1992**

Founded

**2.4M**

Clients

**7.8K**

Employees

**608**

Branches

Credit Rating

**PKR 1.83 Tr**  
Total Assets

**PKR 84.7 Bn**  
Equity

**PKR 50.4 Bn**  
Total Income  
(YTD '23)

**PKR 28.4 Bn**  
Pft Before Tax  
(YTD '23)

**AA+**

**42.4%**  
CIR (YTD)

**24.6%**  
RoE (YTD An)

**22.6Bn**  
Market Cap.  
(Sep'23)

**17.33%**  
CAR

by PACRA

**Market Share**  
Deposits (5.0%)

**International Presence**  
\*Bahrain Branch  
\*China Rep Office

**716**  
ATM

**510K**  
AKBL i-net/ app users

## Balance Sheet Snapshot (Rupees in million)

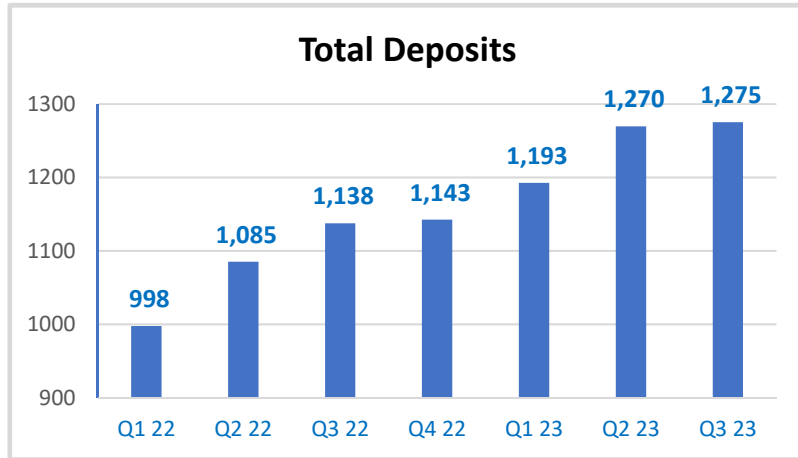


	Sep-22	Dec-22	Jun-23	Sep-23	YoY	QoQ
Cash & Bal	97,419	80,627	145,841	127,269	31%	-13%
Lending to FI	-	407	100	9,075	100%	~
Advances (net)	556,177	583,811	622,816	524,133	-6%	-16%
Investments (net)	848,532	762,697	1,098,816	1,042,294	23%	-5%
Fixed & Others	92,622	98,129	121,493	131,896	42%	9%
<b>Total Assets</b>	<b>1,594,750</b>	<b>1,525,671</b>	<b>1,989,067</b>	<b>1,834,668</b>	<b>15%</b>	<b>-8%</b>
Deposits	1,137,551	1,142,575	1,269,627	1,275,247	12%	0%
Borrowings	314,216	233,432	540,356	378,683	21%	-30%
Sub.loans	12,000	12,000	12,000	12,000	0%	0%
Other Liabilities	63,802	63,341	90,263	83,989	32%	-7%
<b>Total Liabilities</b>	<b>1,527,568</b>	<b>1,451,348</b>	<b>1,912,246</b>	<b>1,749,920</b>	<b>15%</b>	<b>-8%</b>
Paid up Capital	12,603	12,603	14,493	14,493	15%	0%
Reserves	53,119	56,767	64,909	71,445	34%	10%
Reval Surplus	1,460	3,952	(2,582)	(1,190)	-181%	-54%
<b>Total Equity</b>	<b>67,182</b>	<b>73,322</b>	<b>76,821</b>	<b>84,748</b>	<b>26%</b>	<b>10%</b>
<b>Book Value per Share- Restated (Rs)</b>	<b>46.35</b>	<b>50.59</b>	<b>53.01</b>	<b>58.48</b>	<b>26%</b>	<b>10%</b>

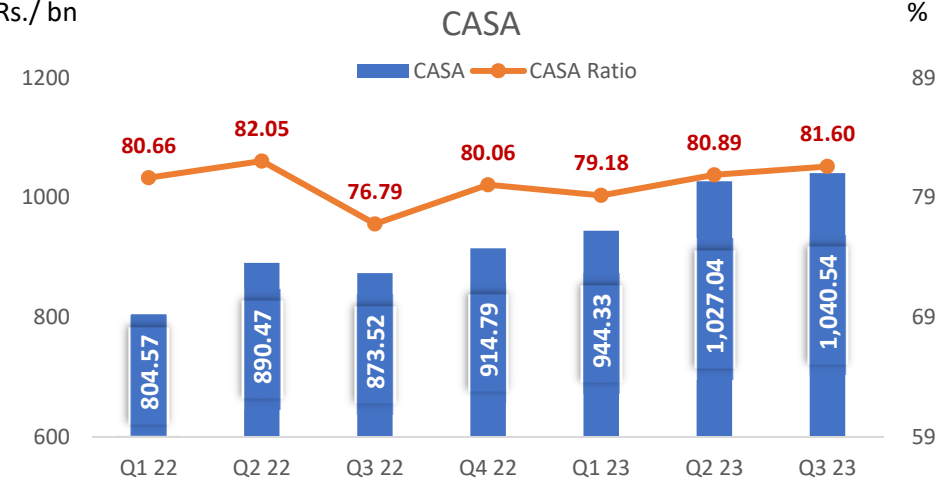
# Deposits Snapshot



Rs./ bn

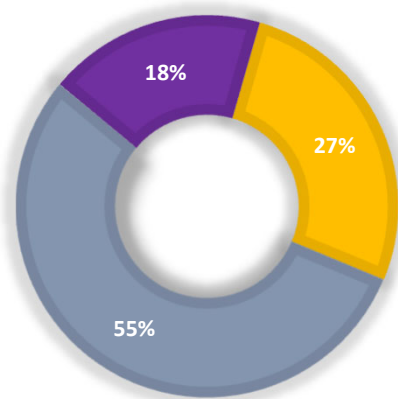


Rs./ bn



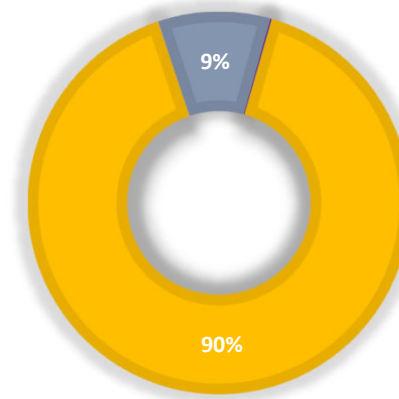
## DEPOSIT MIX

■ Current ■ Saving ■ Others

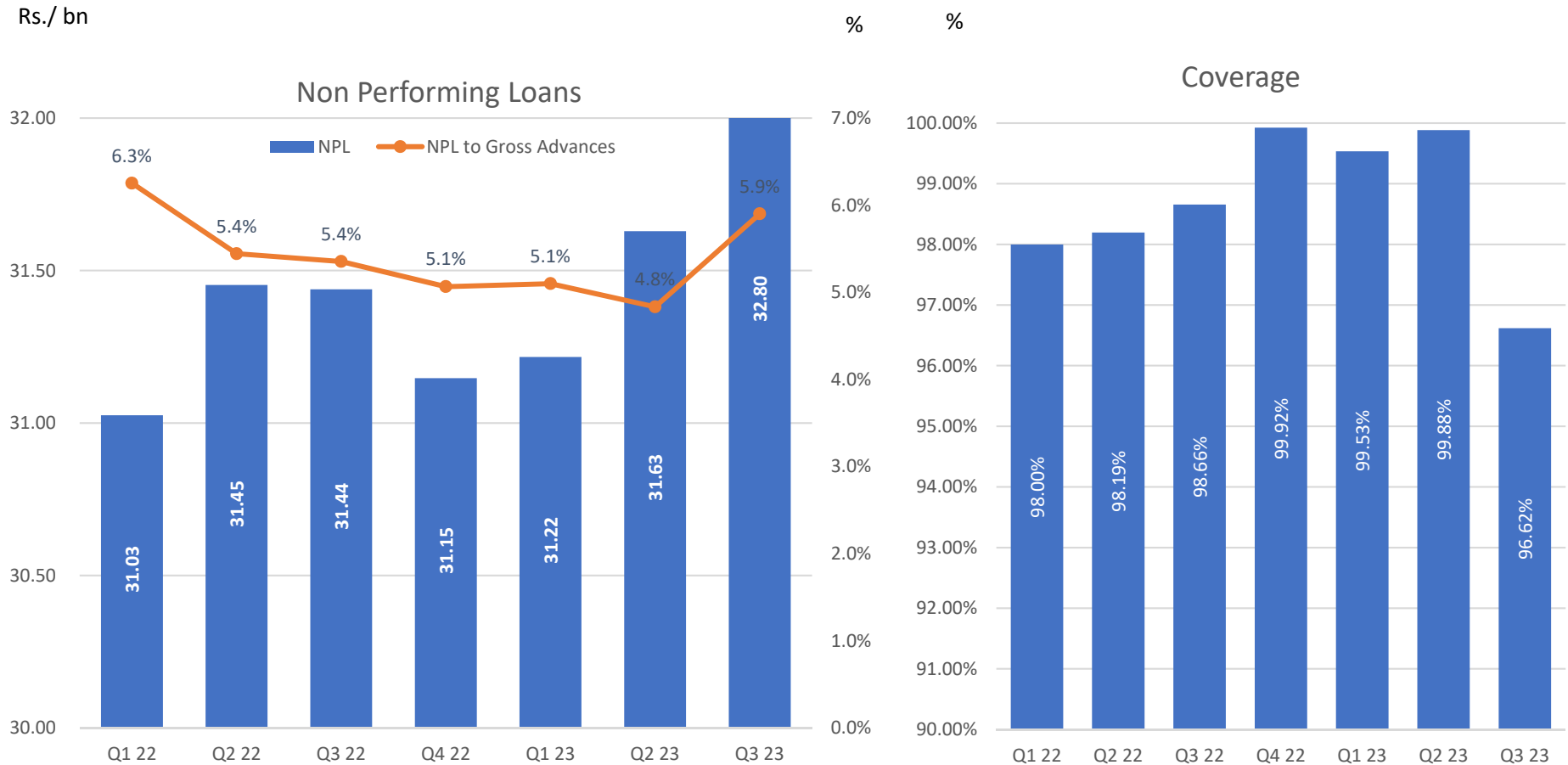


## DEPOSIT COMPOSITION

■ Conventional ■ Islamic ■ Overseas



# Asset Quality Trends



## Profit & Loss Snapshot (Rupees in million)



	Sep'23	Sep'22	YoY	Q3 '22	Q2 '23	Q3 '23	YoY	QoQ
Mark-up earned	216,840	109,842	97%	48,119	70,864	88,828	85%	25%
Mark-up expensed	176,321	80,744	118%	36,264	57,979	73,131	102%	26%
<b>Net Interest Income (NII)</b>	<b>40,519</b>	<b>29,098</b>	<b>39%</b>	<b>11,855</b>	<b>12,885</b>	<b>15,698</b>	<b>32%</b>	<b>22%</b>
Fee and Commission	5,202	3,793	37%	1,250	1,718	1,809	45%	5%
Foreign exchange income	3,636	4,442	-18%	1,829	1,503	853	-53%	-43%
(Loss)/ Gain on securities	217	183	18%	168	117	192	14%	64%
Other income	844	611	38%	199	284	283	43%	0%
<b>Total Income</b>	<b>50,418</b>	<b>38,128</b>	<b>32%</b>	<b>15,301</b>	<b>16,508</b>	<b>18,834</b>	<b>23%</b>	<b>14%</b>
Admin & other expenses	21,355	16,896	26%	6,330	7,179	7,393	17%	3%
<b>Profit before provision and tax</b>	<b>29,064</b>	<b>21,232</b>	<b>37%</b>	<b>8,971</b>	<b>9,329</b>	<b>11,441</b>	<b>28%</b>	<b>23%</b>
Provision -net	690	181	282%	71	675	73	4%	-89%
<b>Profit before taxation</b>	<b>28,373</b>	<b>21,051</b>	<b>35%</b>	<b>8,901</b>	<b>8,654</b>	<b>11,368</b>	<b>28%</b>	<b>31%</b>
Taxation	13,809	10,302	34%	4,461	4,520	5,641	26%	25%
<b>Profit after taxation</b>	<b>14,564</b>	<b>10,749</b>	<b>35%</b>	<b>4,440</b>	<b>4,134</b>	<b>5,727</b>	<b>29%</b>	<b>39%</b>
Earnings Per Share - Rupees	10.05	7.42	35%	3.06	2.85	3.95	29%	39%

## Financial Results- Key Ratios (%)



	Q2-22	Q3-22	Q4-22	Q1-23	Q2-23	Q3-23
ROA	0.8%	1.1%	0.8%	1.2%	0.9%	1.2%
ROE exc. surplus	18.3%	27.8%	19.5%	26.4%	21.5%	27.5%
Cost to income ratio	46.3%	44.3%	44.7%	45.0%	44.2%	42.4%
ADR	53.2%	51.6%	53.8%	51.3%	51.5%	43.6%
CASA	82.0%	76.8%	80.1%	79.2%	80.9%	81.6%
CA	32.7%	29.3%	30.6%	26.8%	32.2%	26.8%
Loans growth- QoQ	16.4%	1.6%	4.7%	-0.5%	6.9%	-17.7%
Deposits growth- QoQ	8.8%	4.8%	0.4%	4.4%	6.5%	0.4%
NPL Ratio	5.4%	5.4%	5.1%	5.1%	4.8%	5.9%
Coverage	98.2%	98.7%	99.9%	99.5%	99.9%	96.6%
CAR	15.2%	15.6%	15.9%	14.6%	15.1%	17.3%

# Trend Analysis



## Balance Sheet

Amounts in PKR mn	2017	2018	2019	2020	2021	2022	5yr CAGR
Cash & Bal. With Banks	47,433	53,281	70,926	81,372	92,887	80,627	11.19%
Lending to FIs	2,250	-	20,406	-	-	407	-28.96%
Advances (Net)	258,693	343,107	372,914	395,374	477,588	583,811	17.68%
Investments (Net)	314,957	260,234	305,436	449,687	616,361	762,696	19.35%
Fixed & Other Assets	33,376	49,910	63,528	66,085	72,307	98,129	24.07%
<b>Total Assets</b>	<b>656,708</b>	<b>706,532</b>	<b>833,208</b>	<b>992,518</b>	<b>1,259,144</b>	<b>1,525,671</b>	<b>18.36%</b>
Deposits	525,808	573,636	679,299	791,187	1,015,430	1,142,575	16.79%
Subordinated Loans	4,993	9,994	9,992	12,000	12,000	12,000	19.17%
Borrowings	71,587	52,702	51,188	84,164	123,564	233,432	26.67%
Bills Payable & Other Liabilities	21,884	36,691	50,473	50,620	52,247	64,342	24.07%
<b>Total Liabilities</b>	<b>624,272</b>	<b>673,023</b>	<b>790,952</b>	<b>937,971</b>	<b>1,203,241</b>	<b>1,452,349</b>	<b>18.40%</b>
Paid - up Capital	12,603	12,603	12,603	12,603	12,603	12,603	0.00%
Reserves & Retained Profit	14,798	19,257	25,353	34,306	41,336	56,767	30.85%
Revaluation Surplus	5,035	1,649	4,300	7,638	1,964	3,952	-4.73%
<b>Total Equity</b>	<b>32,436</b>	<b>33,509</b>	<b>42,256</b>	<b>54,547</b>	<b>55,903</b>	<b>73,322</b>	<b>17.72%</b>

# Trend Analysis



## Profit & Loss Account

Amounts in PKR mn	2017	2018	2019	2020	2021	2022	5Y CAGR
Interest Income	36,267	43,670	71,704	77,322	77,550	165,796	36%
Interest Expenses	20,072	25,060	49,569	47,059	45,140	125,834	44%
<b>Net Int. Income</b>	<b>16,195</b>	<b>18,610</b>	<b>22,136</b>	<b>30,263</b>	<b>32,410</b>	<b>39,962</b>	<b>20%</b>
Non Int. Income	6,255	5,622	7,404	9,694	9,370	11,620	13%
<b>Total Income</b>	<b>22,451</b>	<b>24,232</b>	<b>29,540</b>	<b>39,957</b>	<b>41,779</b>	<b>51,582</b>	<b>18%</b>
Admin expenses	14,949	16,241	18,235	20,123	20,891	22,572	9%
Other charges	24	191	100	48	90	168	48%
Non int. expense	170	(540)	42	43	213	340	15%
<b>Profit before provisions</b>	<b>7,309</b>	<b>8,340</b>	<b>11,163</b>	<b>19,742</b>	<b>20,585</b>	<b>28,502</b>	<b>31%</b>
Provisions/(Reversals)	(1,183)	1,461	773	1,975	4,940	1,042	-197%
<b>Profit before tax</b>	<b>8,492</b>	<b>6,879</b>	<b>10,389</b>	<b>17,767</b>	<b>15,645</b>	<b>27,459</b>	<b>26%</b>
Taxation	(3,224)	(2,448)	(3,372)	(6,967)	(5,944)	(13,398)	33%
<b>Profit after Tax</b>	<b>5,268</b>	<b>4,431</b>	<b>7,017</b>	<b>10,800</b>	<b>9,701</b>	<b>14,062</b>	<b>22%</b>
EPS (PKR) *	3.64	3.06	4.84	7.45	6.69	9.70	
Stock Dividend	-	-	-	-	-	15%	
Dividend (% of Paid-up) **							
Interim	10%	-	-	-	-	-	
Final	-	10%	15%	30%	-	-	

\* EPS is re-stated using Sep'23 number of the shares

\*\* Percentage of paid up capital at time of declaration