



GROWTH
Our Vision.
Our Mission.

Excellence in banking is only the beginning of
our journey. Destination is national prosperity.



CORPORATE BRIEFING SESSION

MARCH 17, 2022

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Introduction



Introduction

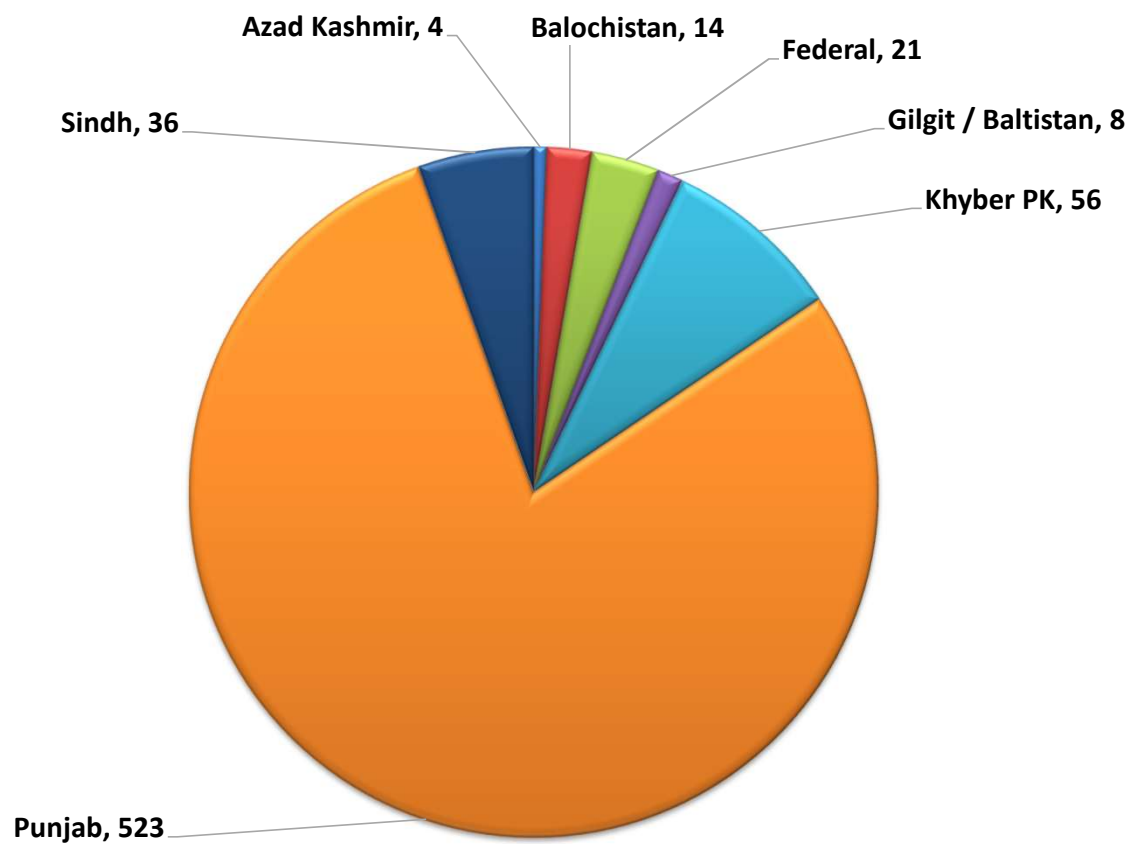
👉 Commencement of Operations	1989
👉 Head Office	Lahore
👉 Major Sponsor	Government of the Punjab (57.47%)
👉 Authorized Capital	Rs. 50 Billion
👉 Paid up Capital	Rs. 26.4 Billion
👉 Credit Rating (Long Term/Short Term)	AA+ /A1+
👉 Branches *	Conventional : 548 Islamic : 114 IB Windows : 25

*including 16 Sub-Branches.

Introduction Contd...

☞ ATMs	647
☞ Cities Covered	367
☞ Market Share	4.6% of Deposits
☞ Deposits	Rs. 1,003 Billion
☞ Advances-Gross	Rs. 534 Billion
☞ Total Assets	Rs. 1,197 Billion
☞ Staff Strength (own)	11,257

Branch Network 31.12.2021





Regulatory Compliance



Regulatory Compliance

- Compliant with Provisioning requirements under Prudential Regulations of SBP.
- Compliant with Minimum Capital (MCR) and Capital Adequacy Ratio (CAR) requirements.
- Compliant with LR, NSFR & LCR requirements



Key Performance Highlights – Year 2021



Financial Performance 2021

Deposits

Deposits improved to **Rs. 1,003.0 Billion** as against Rs. 835.1 Billion as on December 31, 2020, registering a rise of **20%**.

Gross Advances

Gross Advances improved to **Rs. 534.2 Billion** as against Rs. 442.8 Billion as on December 31, 2020, registering a rise of **21%**.

Investments & Lending to FIs

Investments & Lending to FIs remained at **Rs. 562.7 Billion** as against Rs. 583.9 Billion as on December 31, 2020.

Total Assets

Total Assets improved to **Rs. 1,197.0 Billion** as against Rs. 1,095.4 Billion as on December 31, 2020, registering a growth of **9%**.

Financial Performance 2021 Contd...

Net Interest Margin

Net Interest Margin improved to **Rs. 29.88 Billion** as against Rs. 23.33 Billion during year 2020, showing a rise of **28%**.

Non Markup Income

Non Markup Income (excluding Gain on Securities) improved to **Rs. 6.12 Billion** as against Rs. 4.58 Billion during year 2020, showing a rise of **34%**.

Non Markup Expenses

Non Markup Expenses stood at **Rs. 21.01 Billion** as against Rs. 17.52 Billion during year 2020, showing a rise of **20%**.

Operating Profit

Operating Profit Before Provisions & Gains on Securities improved to **Rs. 14.98 Billion** as against Rs. 10.39 Billion during year 2020, showing a rise of **44%**.

Provision (Charge)/ Reversal

Provision Reversal stood at **Rs. 1.64 Billion** as against Provision Charge of Rs. (6.86) Billion during year 2020.

Financial Performance 2021 Contd...

General Provision

As of December 31, 2021, General Provision stood at **Rs. 2.50 Billion**.

Profit Before Tax

Profit Before Tax improved to **Rs. 18.41 Billion** as against Rs. 11.99 Billion during year 2020, showing a rise of **54%**.

Profit After Tax (Normal)

Profit After Tax (Normal) improved to **Rs. 11.32 Billion** as against Rs. 6.94 Billion during year 2020, showing a rise of **63%**.

Profit After Tax (Adjusted)

Profit After Tax (Adjusted due to Change in Tax Rate from 35% to 39%) improved to **Rs. 12.44 Billion** as against Rs. 6.94 Billion during year 2020, showing a rise of **79%**.

Financial Performance 2021 Contd...

Book Value per Share

Book Value per share (excluding surplus on assets) improved to **Rs. 21.26** as against Rs. 17.52 as on December 31, 2020.

Capital Adequacy Ratio

Bank's Capital Adequacy Ratio stood at **12.27%** (including ADT-1 Capital : **12.50%**) as on December 31, 2021 against the required level of 11.50% as prescribed by SBP.

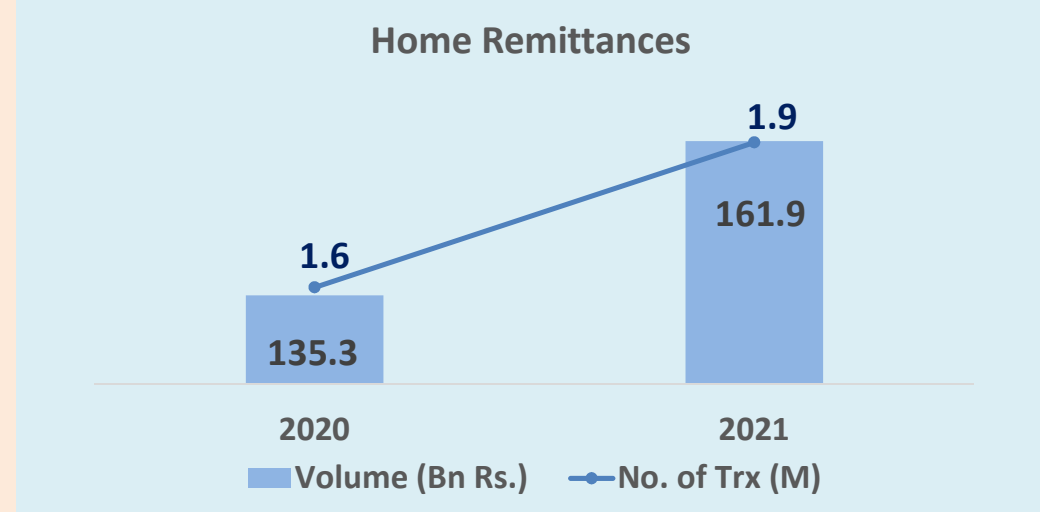
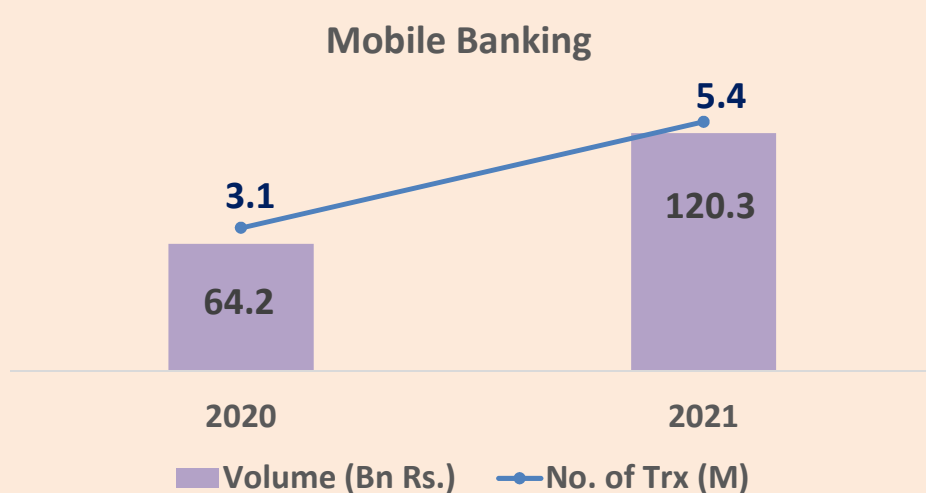
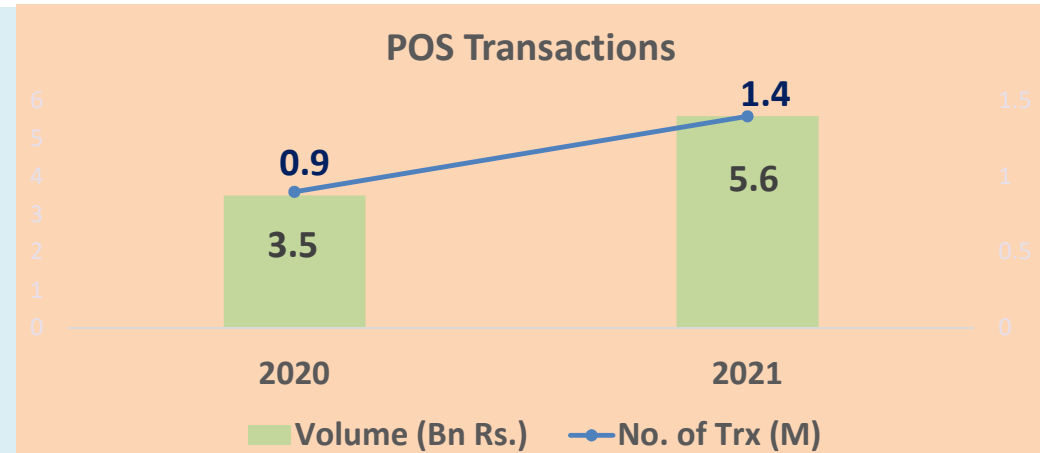
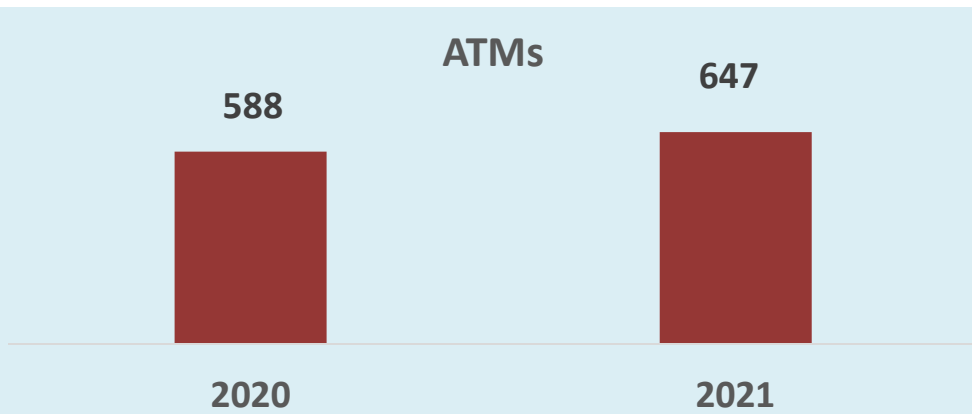
Leverage Ratio

Bank's Leverage Ratio stood at **3.01%** (including ADT-1 Capital : **3.08%**) against the required level of 3.00% as prescribed by SBP.

Credit Rating

During year 2021, Bank's Long Term Credit Rating has been upgraded to **"AA+"** by PACRA. Short Term Credit Rating stood at highest level of **"A1+"**.

Digital Banking & Business Volumes



Other Key Initiatives during 2021

- Launch of new products & Services including Internet Banking, Self-Service Banking, E-payment Gateway, KHAS MasterCard Debit Card, Roshan Digital Account etc.
- Opening of Branches in North and South Regions of the Country.
- By way of restructuring Islamic Banking operations, to make them more impactful to the bottom line, a dedicated Islamic Windows Expansion plan was formulated and executed.
- Comprehensive exercise through Consultancy Services to revisit Bank's processes & controls in line with COSO framework in process.
- Separation of Operations Function from Business and alignment of Organizational Structure to achieve set Strategic Objective of Sustainable Growth in all facets of operations.



Other Key Initiatives during 2021 Contd...

- Upgradation of Customer Risk Rating Methodology to ensure a risk-based approach in the process.
- Compliance Risk Management System was launched and implemented to provide regulatory guidance under a single platform.
- Investment in new Technologies with acquisition & upgradation of software solutions. Upgradation of core banking system “Flexcube” is in process.
- Revamping of Transfer Pricing mechanism thereby offering better idea of individual units’ performances across varying tenors and products.
- Launch of Peoples Hub and One Shop Stop Services for BOP Employees.

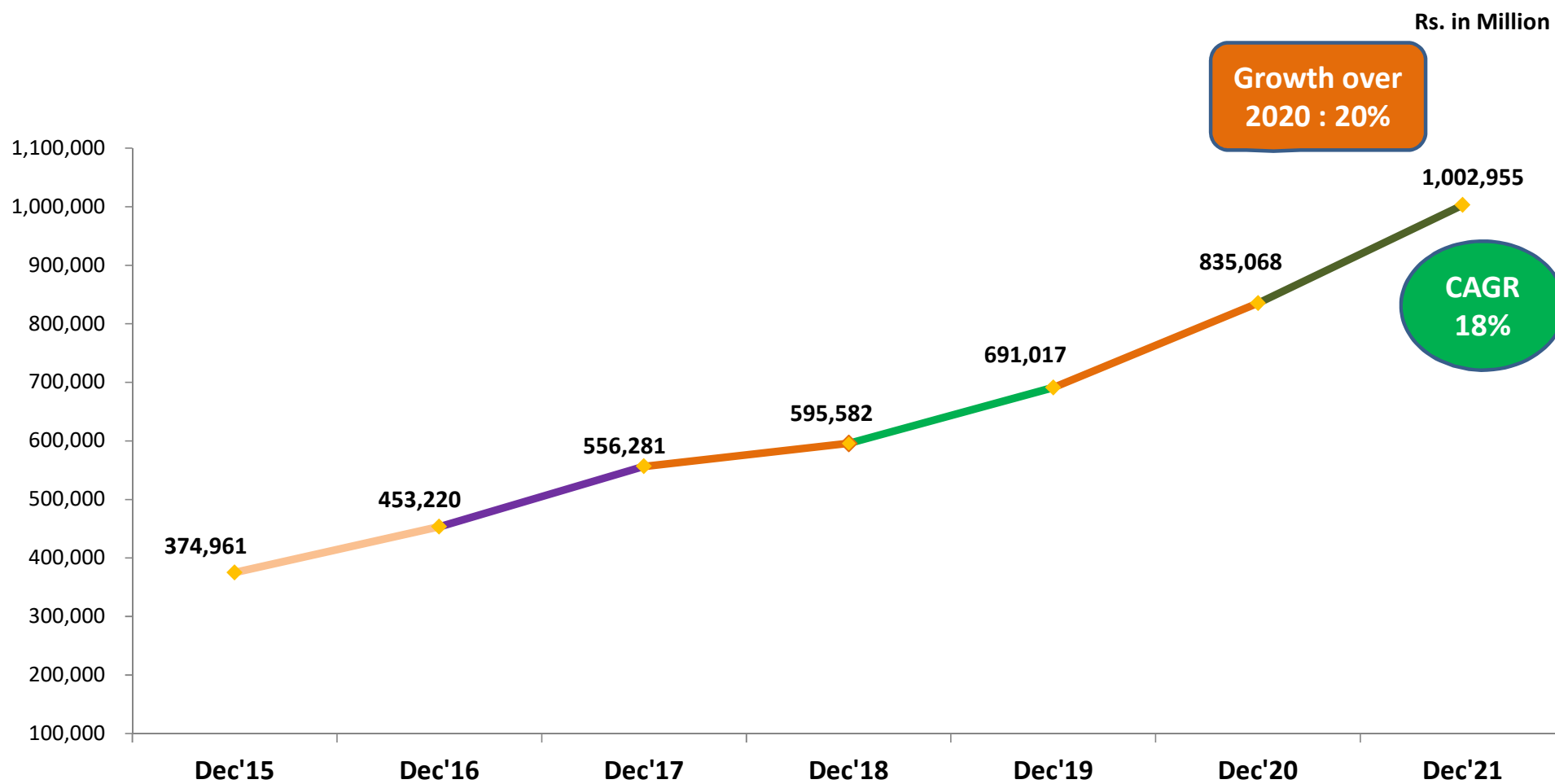




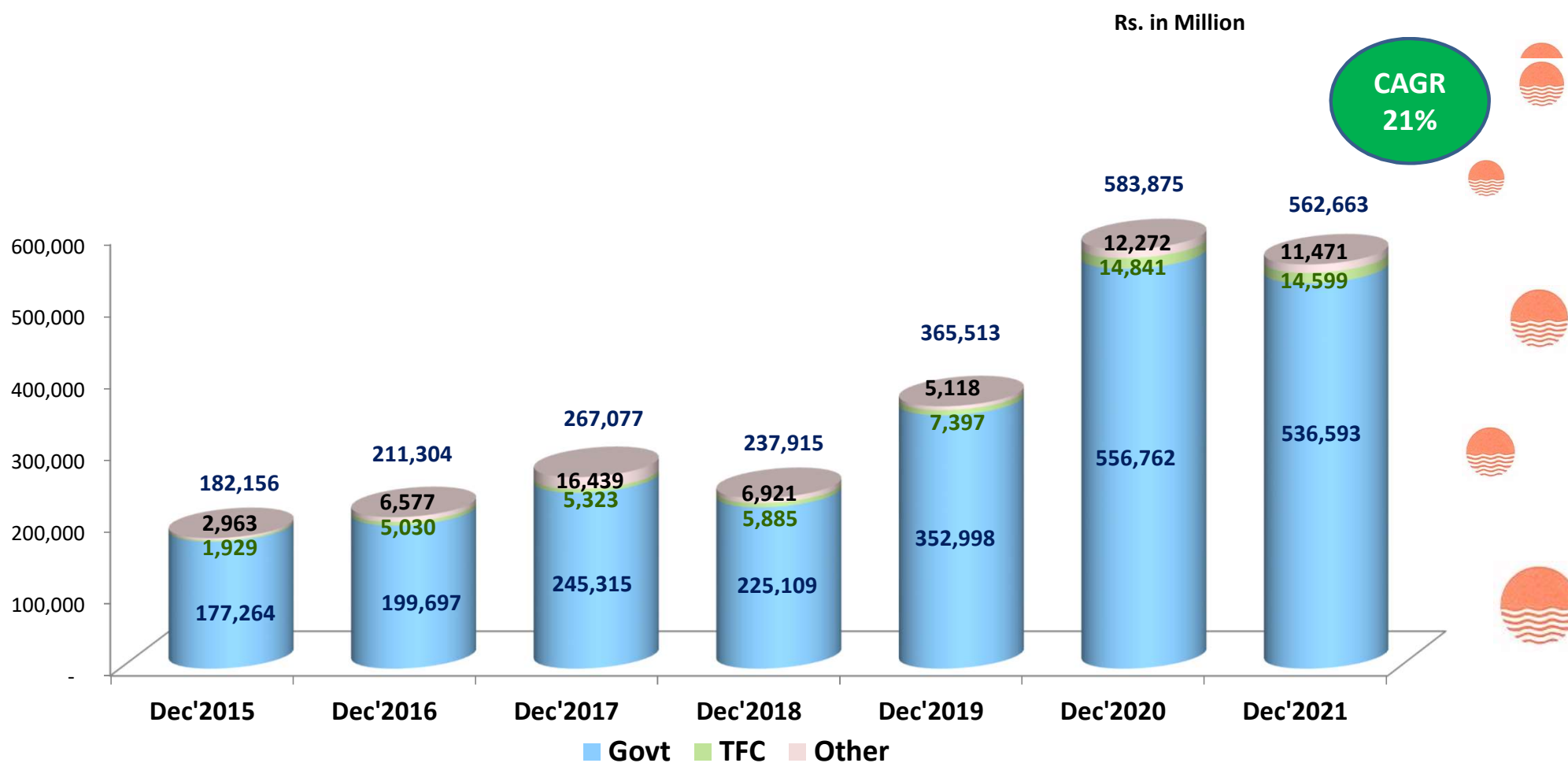
Growth Trends (2015-2021)



Deposits

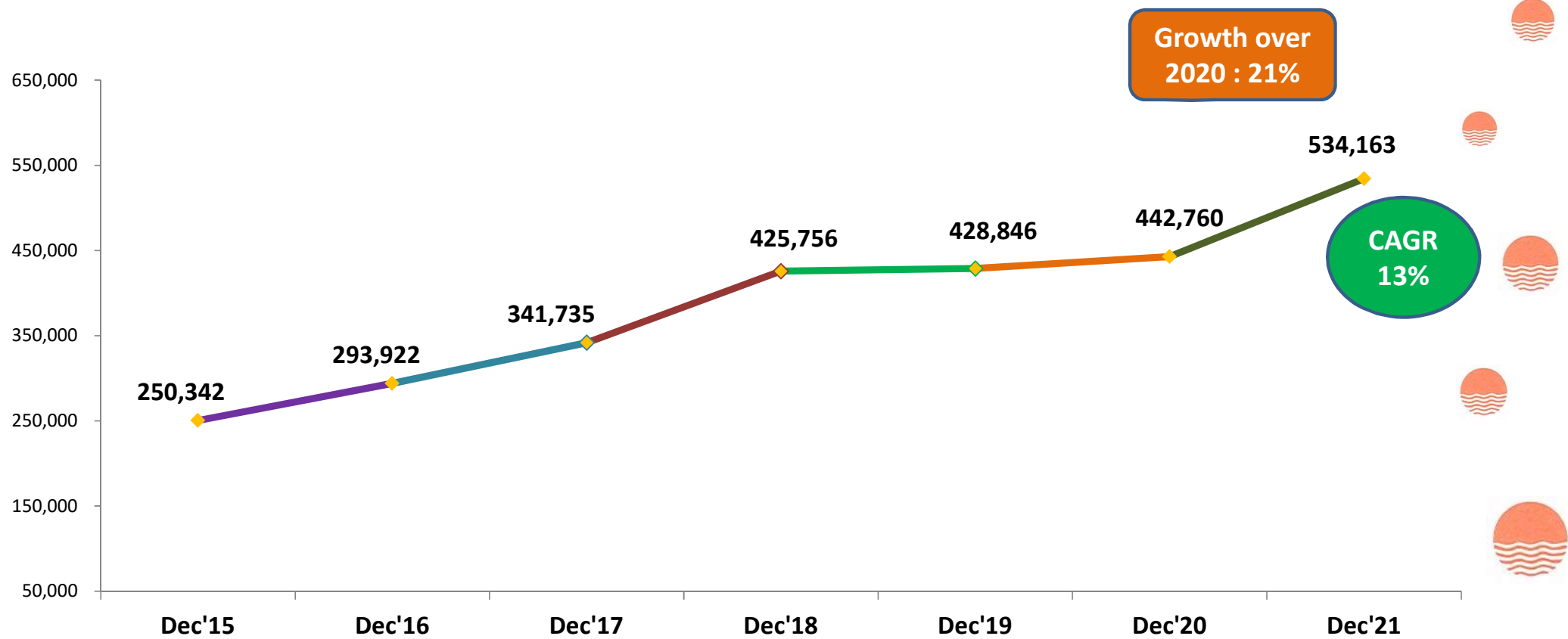


Investments (including Lending to FIs)



Advances (Gross)

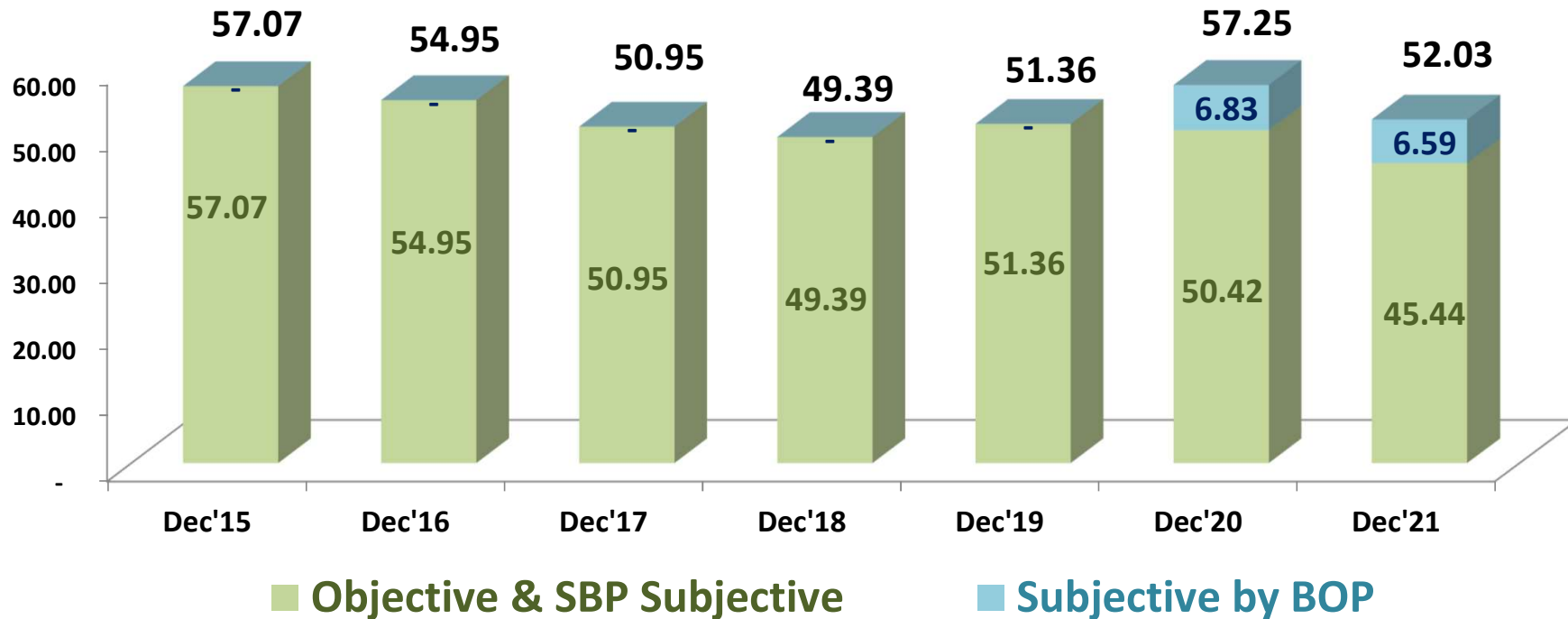
Rs. in Million



Non-Performing Loans (Gross)

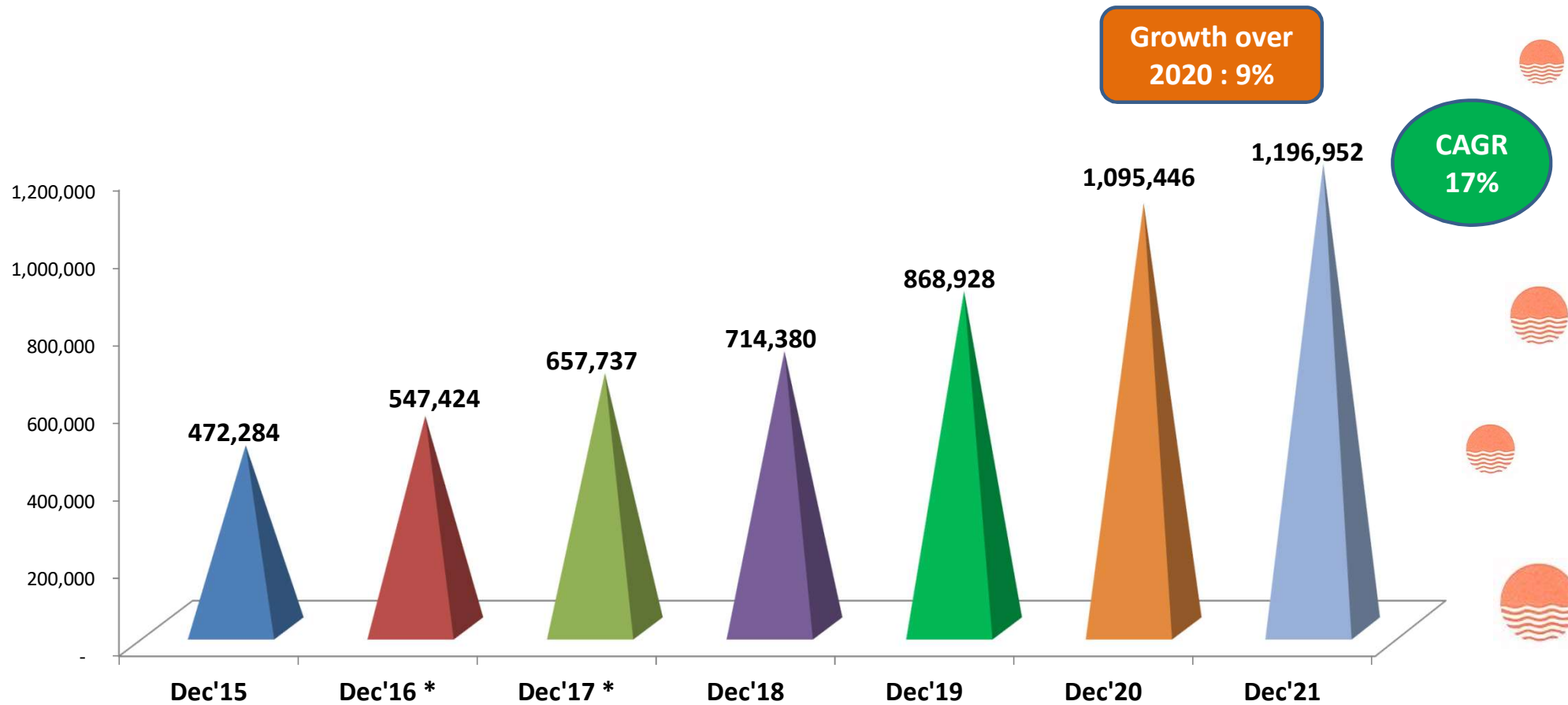
Rs. in Billion

Decrease over 2020 :
Rs. -5.22 B
-9%
NPL Coverage 96%



Total Assets

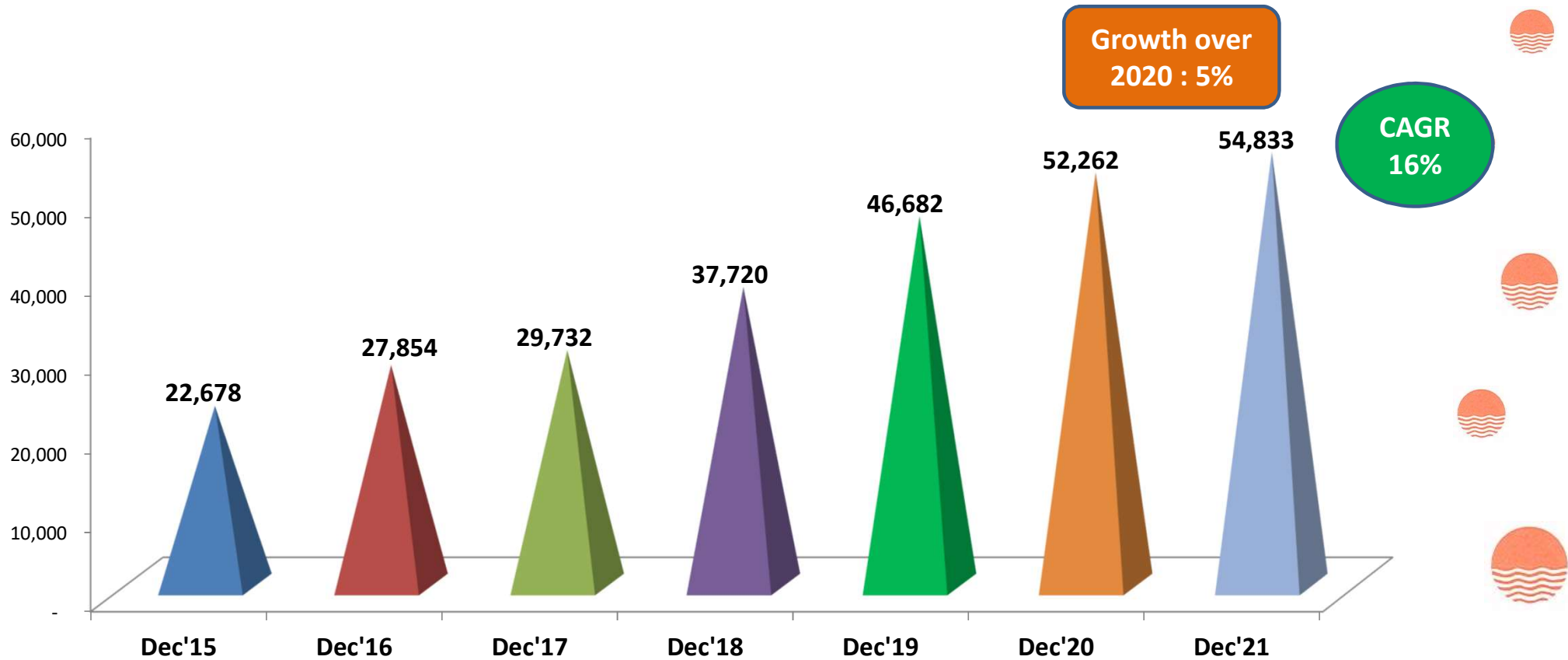
Rs. in Million



* Restated on account of reclassification of acceptances from off-balance sheet item to on-balance sheet.

Total Equity

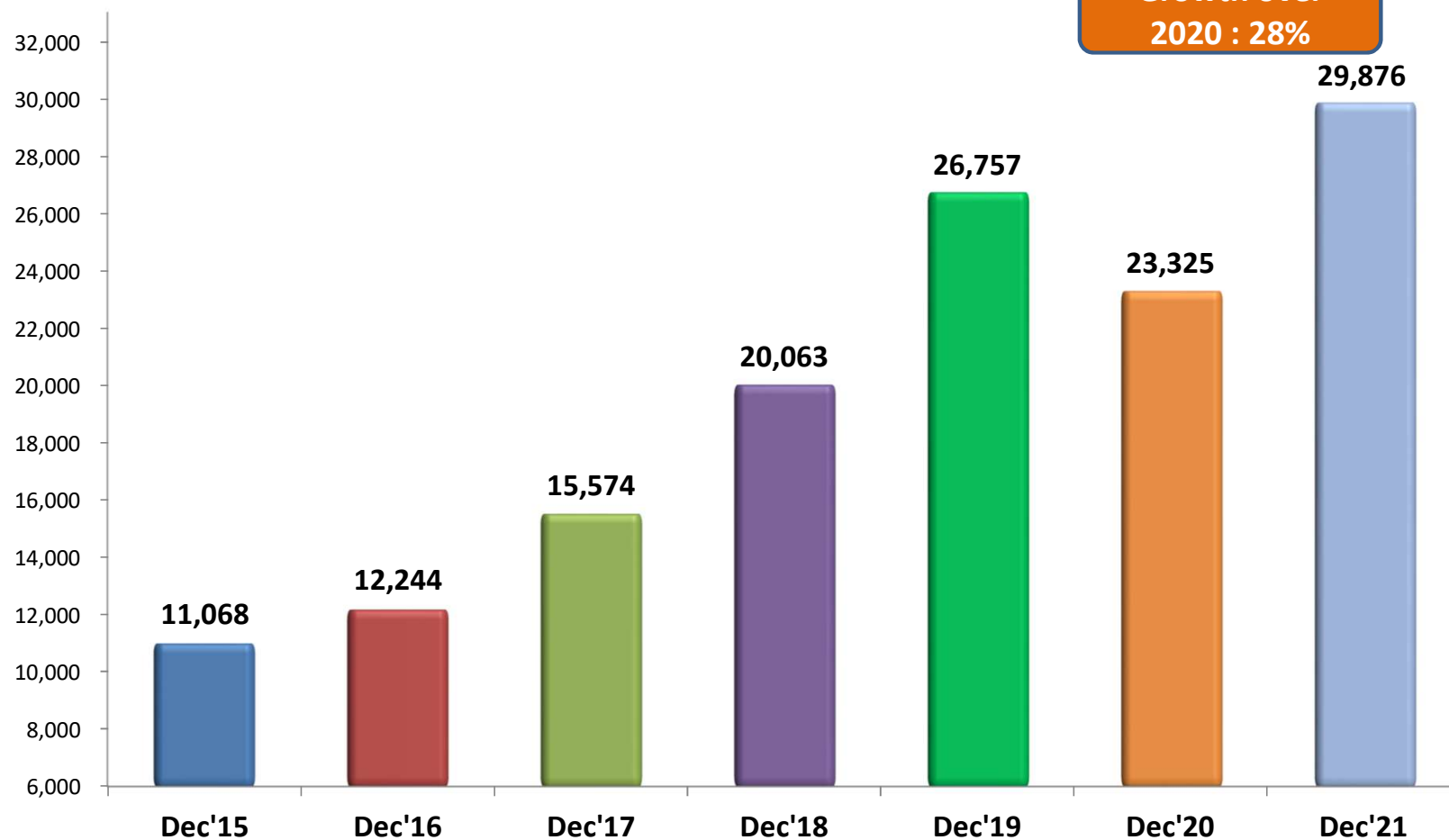
Rs. in Million



Net Interest Margin

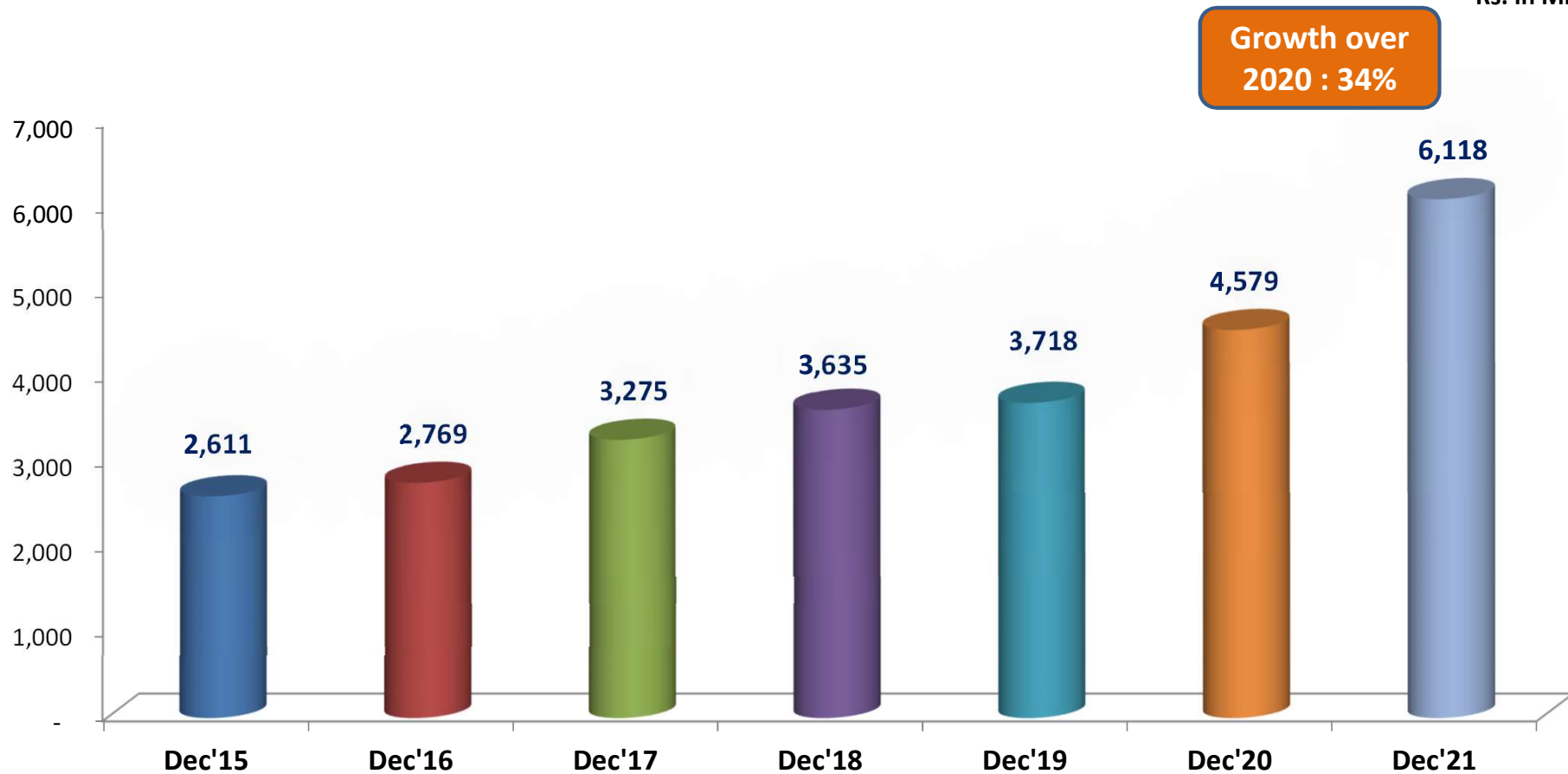
Rs. in Million

Growth over
2020 : 28%

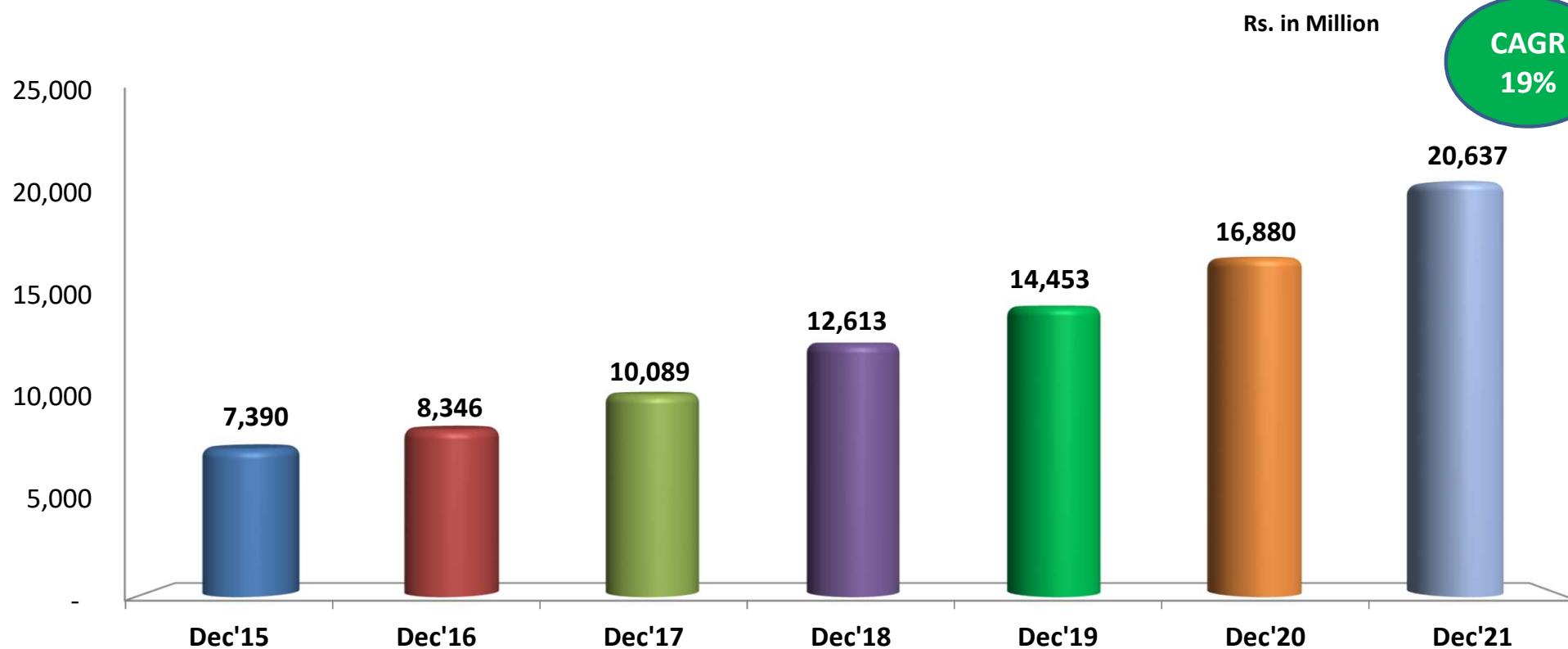


Non Mark-up Income (Excluding Gain on Securities)

Rs. in Million



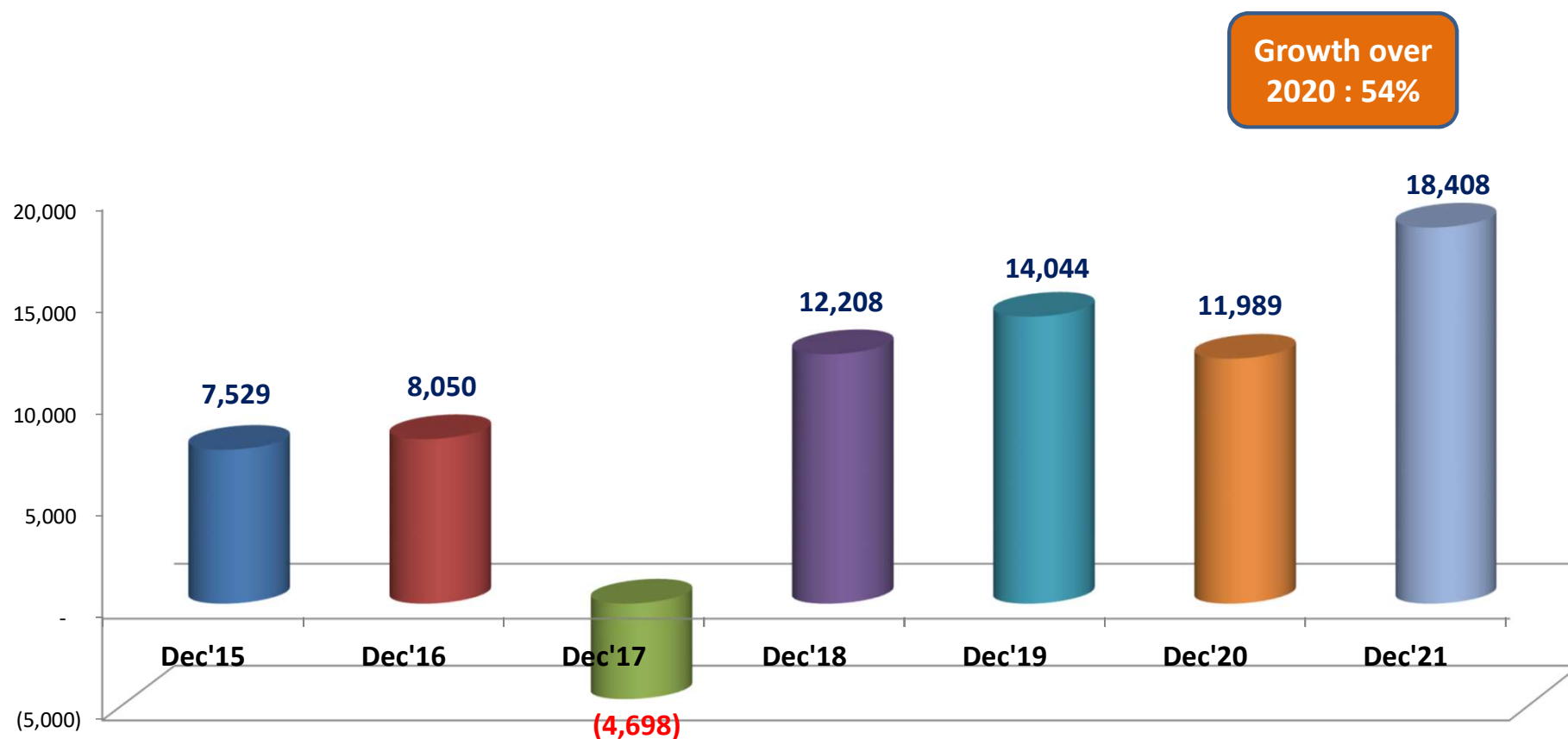
Operating Expenses



No. of Branches	406	453	536	576	624	636	662
No. of Staff (Own)	5,699	6,397	7,371	8,634	9,640	9,967	11,257

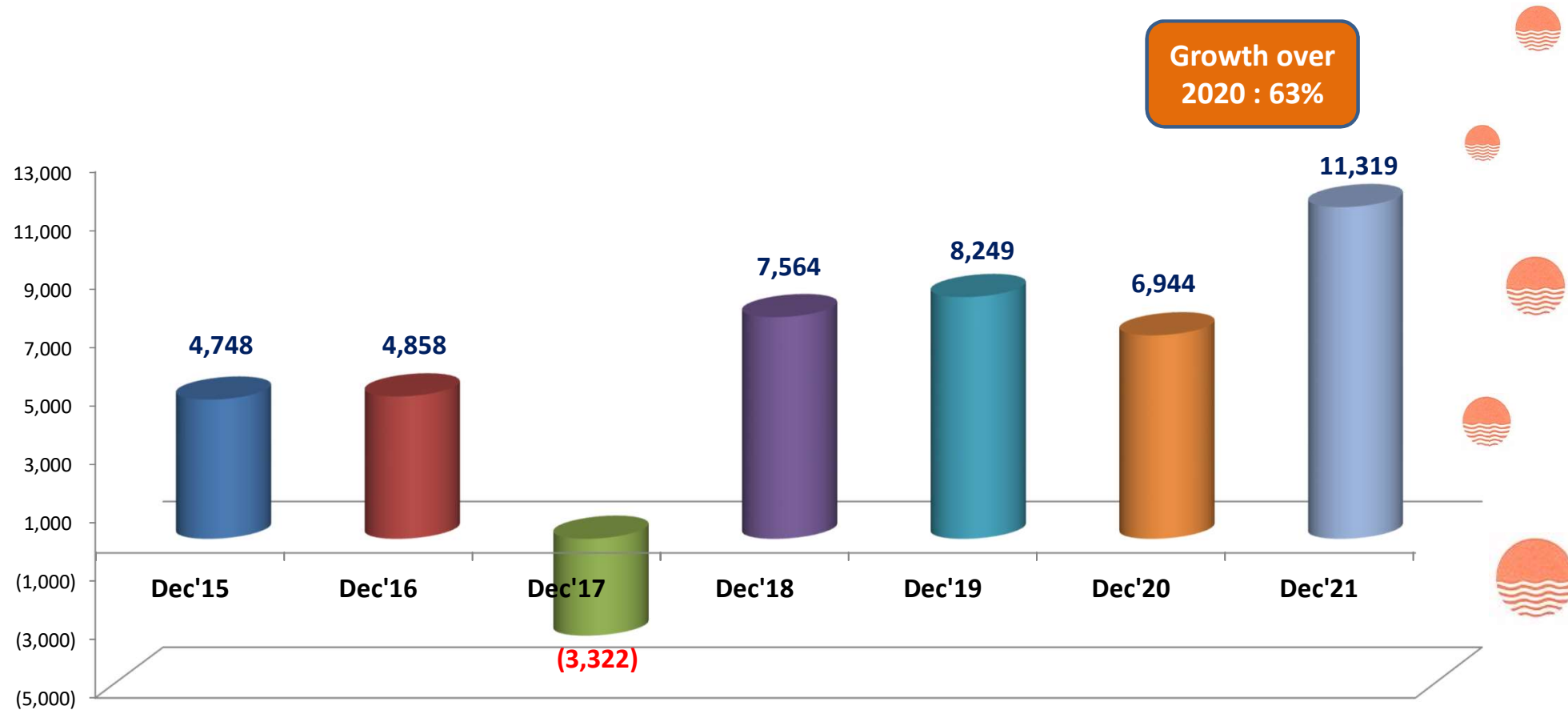
Profit / (Loss) Before Tax

Rs. in Million



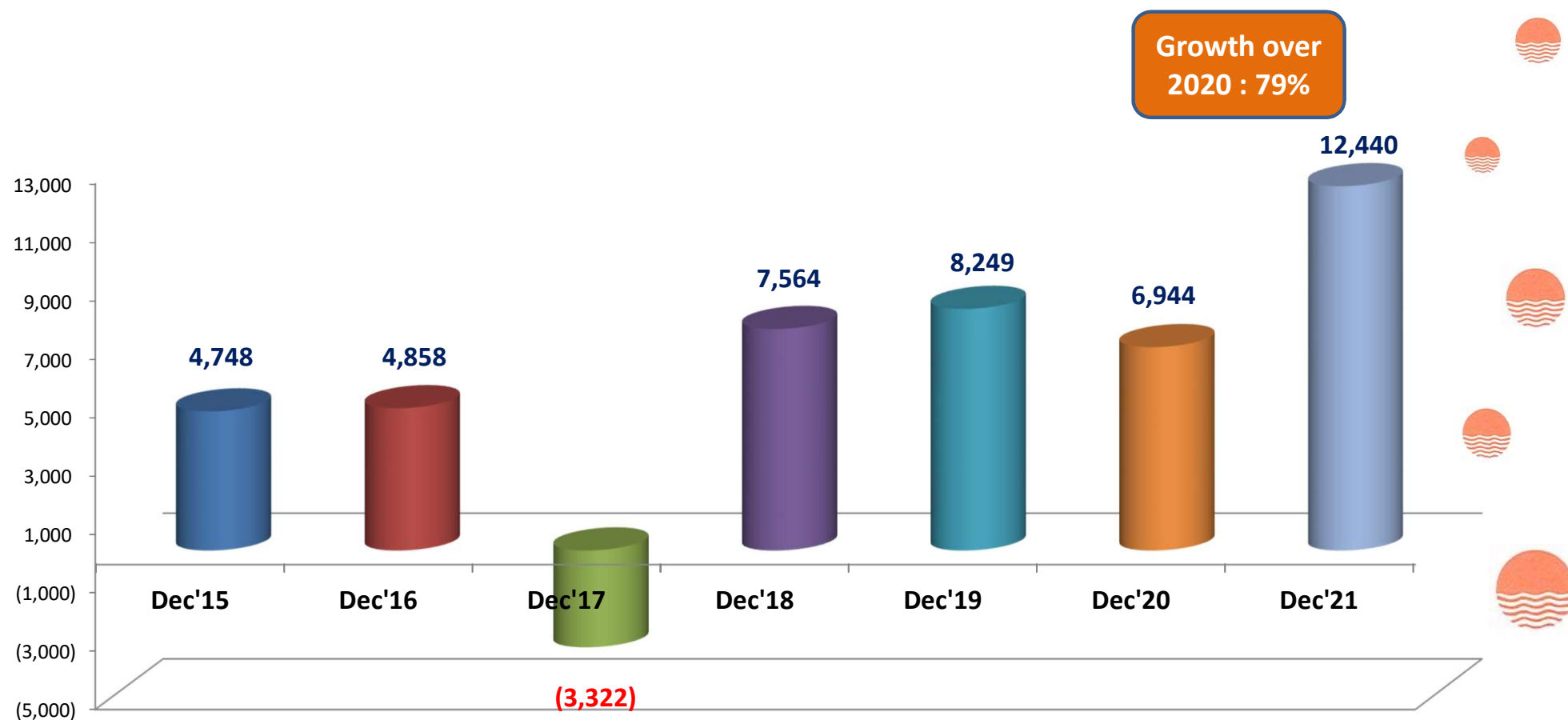
Profit / (Loss) After Tax (Normal)

Rs. in Million



Profit / (Loss) After Tax (Adjusted due to Change in Tax Rate)

Rs. in Million





Future Strategy (2021-2023)



Future Strategy (2021-2023)

- 
- Aggressive business growth with **minimum risk** and **ensuring compliance with governing regulatory regime**.


- 
- Enhanced footprint in the areas of **SME, Consumer, Agri & Low Cost Housing** and become **preferred Bank**.


- 
- Grow Bank's share in **trade, cash management** and **investment banking businesses**.



Future Strategy (2021-2023) Contd....


- 
- Aggressive expansion in **Islamic Banking Business** to increase Market Share.

- 
- To improve mix of **private sector deposits** with decrease in cost of deposits by leveraging our network and resources, improved products supported by technology and digital initiatives.

- 
- **Home Remittances** will be another growth and focus area based on robust both pull and push channels.



Future Strategy (2021-2023) Contd....

- 
- Expand **Bank's footprint** in Karachi/ South and Islamabad/ Peshawar/ North and grow corporate assets in a cautious way.
 - Special focus on new technologies to become a “**technology based bank in five years**”.
 - Year 2022 announced as “**Year of Empathy**” and HR policies and procedures, compensations shall be made inline with market philosophy of pay for performance to attract and retain the best talent.
 - Acquire strategic stake in NRSP Microfinance Bank.





Thank You

