



The Bank of Khyber

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Corporate Briefing –Pakistan Stock Exchange

December 27, 2021



Caveat

This presentation is not an offer or solicitation of an offer to buy or sell any securities or any investment.



The Bank of Khyber

About Us

- Established in 1991 through an Act of the KPK Provincial Assembly.
- As of September 30, 2021, the BOK is operating with 193 branches throughout the country out of which 98 branches are functioning as dedicated Islamic Banking Branches.
- Apart from its presence in all the four provinces, the Bank also provides banking services in Gilgit Baltistan, FATA merged districts and Azad Jammu & Kashmir.
- Awarded status of a scheduled bank in September 1994.
- Started Islamic banking operations in 2003.
- Since the Bank's listing on the Pakistan Stock Exchange (former KSE) in 2006, five Bonus Issues have been materialized whereas six Cash Dividends have also been paid to the shareholders.
- Long term credit ratings assigned by the VIS Credit Rating Company Limited and the Pakistan Credit Rating Agency Limited (PACRA) are 'A+' (A-Plus) and 'A' (Single-A) respectively and the short-term credit ratings assigned are 'A-1' (A-One) and 'A-1' (A-One) respectively.
- The Bank has established a wide network of correspondent international banks in various countries.

The Composition of the Board of Directors of the Bank is as follows:

- Four Directors of the Government of Khyber Pakhtunkhwa
- Managing Director
- Three Directors elected by Private sector shareholders.

Current Shareholding:

Shareholding of the Bank is as follows:

- | | |
|------------------------------------|--------|
| • Government of Khyber Pakhtunkhwa | 70.20% |
| • Ismail Industries Limited | 24.42% |
| • General Public | 5.38% |

Applicable regulations:

In addition to all regulations applicable to listed companies, the Bank is also governed by the Bank of Khyber Act, 1991 a legislation passed by the Provincial Assembly of KPK.



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Corporate Information

Legal Advisors

Mr. Nisar Ahmed Khan, Advocate, Peshawar
M/s. Mohsin Tayebaly & Co., Karachi

Registrar and Share Registration Office

THK Associates (Pvt) Ltd.
Plot No. 32-C, Jami Commercial Street 2
DHA, Phase VII, Karachi - 75588

Registered Office / Head Office

The Bank of Khyber
24 – The Mall, Peshawar Cantt.

1st Floor, State Life Building, 34 – The Mall,
Peshawar Cantt., Pakistan

UAN# 00-92-91-111 95 95 95

URL: www.bok.com.pk

External Auditors

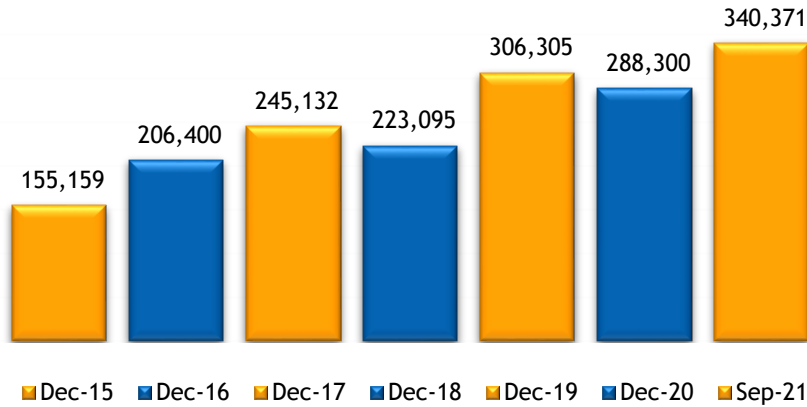
EY Ford Rhodes, Chartered Accountants

- **Managing Director**
 - Group Head Islamic Banking
 - Group Head Conventional Banking
 - Chief Risk Officer
 - Group Head Treasury & Investment Banking
 - Group Head Operations & Support
 - Group Head Human Resource
 - Chief Financial Officer
 - Company Secretary
 - Head Internal Audit
 - Chief Compliance Officer
 - Chief Information Officer
 - Head Legal
 - Head Shariah Compliance
- Muhammad Ali Gulfaraz**
- Muhammad Atif Hanif
- Sher Muhammad
- Ihsanullah Ihsan
- Muhammad Faisal Shaikha
- Moin Rana
- Muhammad Asif
- Irfan Saleem Awan
- Zahid Hussain Sahibzada
- Mudassar Iqbal
- Khalid Abdul Aziz
- Azfar Latif
- Arshad Nazir
- Abdul Aleem Khan

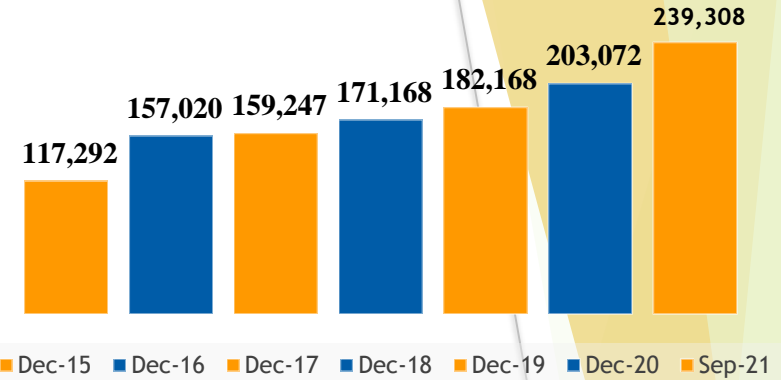
Six Years' Financial Highlights

(Rs in Million)

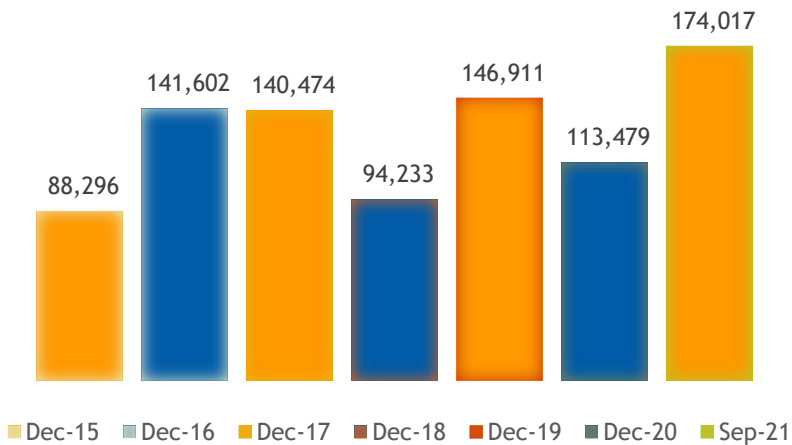
Total Assets



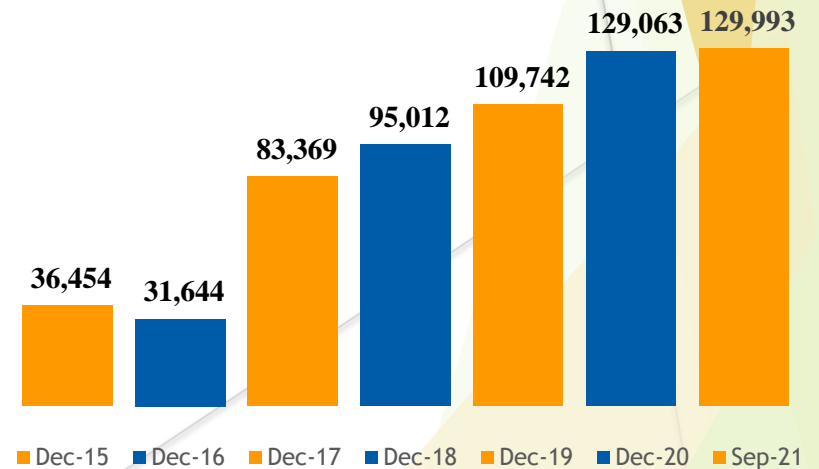
Deposits



INVESTMENTS



Advances



Description	2015	2016	2017	2018	2019	2020	Sept-2021
Deposits	117,292	157,020	159,247	171,168	182,168	203,072	239,308
Advances (net)	36,454	31,644	83,369	95,012	109,742	129,063	129,993
Investments (net)	88,296	141,602	140,474	94,233	146,911	113,479	174,017
Total Assets	155,159	206,400	245,132	223,095	306,305	288,300	340,371
Share Capital	10,003	10,003	10,003	10,003	10,003	10,003	10,503
Capital & Reserves	13,973	14,685	14,943	13,809	14,982	16,605	15,883
Profit After Tax	1,789	2,020	1,790	466	1,306	2,152	779

Description	2015	2016	2017	2018	2019	2020 *	Sept-2021
Return on Average Equity	13%	14%	12%	3%	9%	14%	6%
Cash Dividends Declared	1,250	1,501	1,501	-	500	1,500	-
Earning Per Share	1.79	2.02	1.79	0.47	1.31	2.15	0.74
Issued Capital							
Cash Dividend Per Share	1.25	1.50	1.50	-	0.50	1.50	-
Dividend Pay out Ratio	70%	74%	84%	-	38%	70%	-
CAR	23.75%	21.34%	20%	12.28%	15.30%	19.34%	17.95%
Advances (net) to Deposits Ratio	31%	20%	52%	56%	60%	64%	54%

* In addition to this, Rs 0.5 per share bonus shares were issued.

Future Outlook

- The Bank being watchful of the economic conditions would focus on maintaining the growth momentum and assets' quality.
- The cornerstone of Bank's philosophy would remain on improving service quality standards and providing state of the art banking services through leveraging technology and trained human resource.
- To target new market segments and to improve efficiency and productivity in Bank's overall performance.
- Focusing on enhancing revenue growth and profitability through cross selling various financial products, strengthening internal controls operational structure, capacity building, proficient customer services and optimizing branch banking platform
- Emphasizing on major cost rationalization initiatives through continuous improvement in automation and product innovations.
- Emphasizing to increase loaning in all segments of economy with special focus on SME and agriculture sector to improve Bank's ADR and profitability.
- The Bank is fully confident that the goals set for the ensuing year will be materialized and would contribute to working of the Bank.

Operational Goals and Achievements During Last 5 Years

- The bank during last five years have achieved in major all their operational goals as follows.
 - Maximize the shareholders' return.
 - Increase the branch network and outreach
 - Increase the number of ATMs for public convenience.
 - Enhance the deposit base with major focus on low cost deposits.
 - Increase the share of private deposit accounts.
 - Increase the total asset base of the bank.
 - Develop technological base for Core Banking Application



Financial Goals and Achievements during the Period September 2021

- Posted profit before tax of Rs. 1,227 million (September 2020: Rs 2,795 million). Profit after tax stood at Rs 779 million as compared to same period last year amounting to Rs 1,652 million.
- The Net Mark-up / Interest Income after provisions increased by 18% and stood at Rs. 4,998 million (Sept 2020: Rs 5,043 million).
- Non-Markup income of the bank has decreased by 72% as compared to same period last year mainly due to capital gains.
- Total Advances of the Bank stood at Rs 130 billion (Dec 2020: Rs 129 billion).
- Total assets increased by 18% and reached Rs. 340,371 million (Dec 2020: Rs 288,300 million).
- Net Assets with a slight decrease of 6% stood at Rs. 16,637 million (Dec 2020: Rs 17,727 million). Return on Assets (ROA) and Return on Equity (ROE) stood at 0.33% (Sept 2020: 0.73%) and 6% (Sept 2020: 14%) respectively.
- On Liability side Deposits increased by 18% with focus on reducing Cost of Deposits.
- Borrowings witnessed an increase of 28% and stood at Rs 73 billion (Dec 2020: Rs 57 billion).
- As of Sept 2021, Capital Adequacy Ratio stood 17.95% (Dec 2020: 19.35%).



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THANK YOU