



Corporate Briefing Session-Dec 2025

24th April 2026



Bank of Khyber-Custodian of Rich Values

Bank of Khyber (BoK) was established under the Bank of Khyber Act, 1991 and acquired the status of a schedule bank in 1994. BoK is listed on Pakistan Stock Exchange Limited (PSX) and is one of the three provincial government owned commercial banks operating in Pakistan.

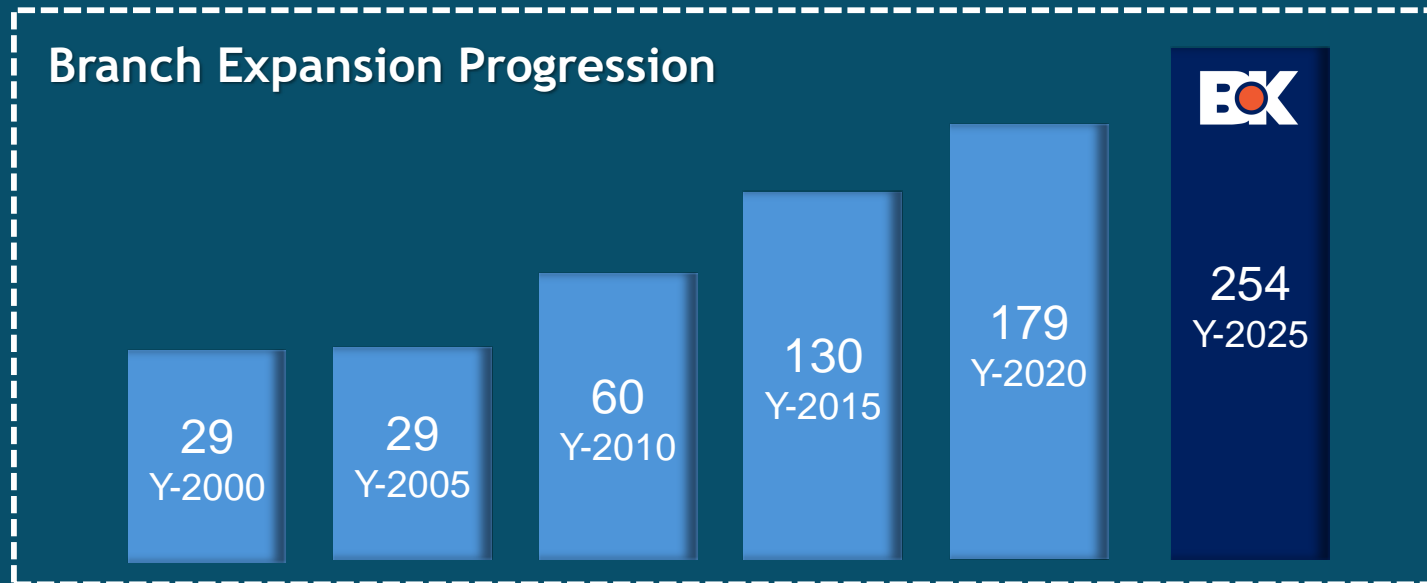


Government of Khyber Pakhtunkhwa
(70.2%)



Ismail Industries Ltd
(24.4%)

Branch Expansion Progression



Countrywide Presence

254

30

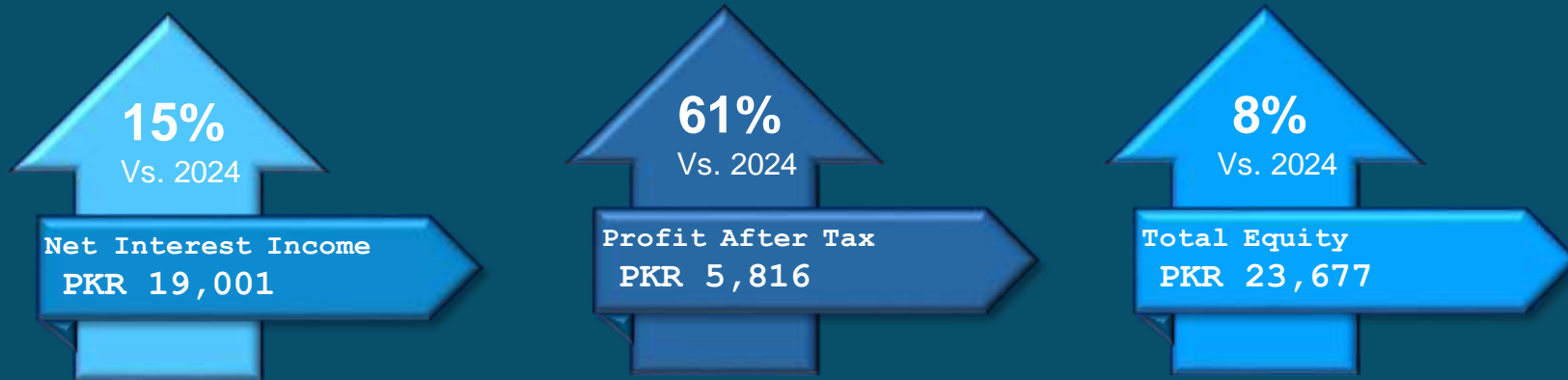
Booths: 14



Conventional: 55 (22%)
Islamic: 199 (78%)

59 Branches converted during FY Dec 2025





Credit Ratings: VIS: AA- / A-1 | PACRA: A+ / A1

Core Achievement: Profitability grew as a result of prudent balance sheet management.
Realignment: Organizational structure was redesigned to improve efficiency.



For FY 2025: Interim Cash Dividend Rs 1.5/share Final Cash Dividend was Rs 1.7/share



Milestones

- ❑ Announcement of Full conversion of Bank into Islamic (Feb 2025)
- ❑ Credit rating upgraded to AA- by VIS credit rating agency
- ❑ Incorporation of 'BOK Currency Exchange Company (Private) Limited' dated January 19, 2026
- ❑ Launch of KORPAY Branch for Home Remittances
- ❑ Launch of Mastercard Debit Card
- ❑ Shariah Compliance & Fiduciary Rating (Mar-2026)



Become Modern, Agile, Customer Centric,
Exciting & Digitally Savvy brand in the market



Diversification of the deposits and
advances

Capacity building & strengthening of management
team

Strengthening and growth of the
Balance Sheet

Structural Reorganization and Process Re-engineering

In the process of Conversion to
Islamic bank

Developing strong IT and digital banking capabilities
to capitalize on growth opportunities

Expansion of Branch & Digital
Footprint

Focus on generating higher non-mark up income

High standards of corporate governance,
environmental and social responsibility, community
relations and employee welfare

Statement of Profit & Loss

(Rs. in Million)



Description	2024	2025	Positive/Negative Variance	Var %
Mark-up/return/interest earned	65,221	52,234	-12,987	-20%
Mark-up/return/interest expensed	48,729	33,233	15,496	-32%
Net Markup/ Return/ Interest Income	16,492	19,001	2,509	15%
Fee and commission income	942	1,065	123	13%
Dividend income	2	0	-2	-100%
Share of profit of associate	11	15	4	38%
Gain/Loss on securities	177	2,330	2,153	1217%
Net gains / (losses) on derecognition of financial assets	-24	-44	-20	85%
Foreign exchange income	529	593	63	12%
Other Income	140	166	26	18%
Non mark-up/ interest income	1,778	4,125	2,347	132%
Gross Income	18,270	23,126	4,856	27%
Non Markup Expenses	10,561	11,725	-1,165	11%
Income Before Provisions - Net	7,709	11,401	3,691	48%
Net Reversals	-426	-881	455	107%
Profit Before Tax	8,135	12,282	4,147	51%
Tax	4,520	6,466	-1,946	43%
Profit After Tax	3,615	5,816	2,201	61%
Earnings Per Share (EPS)	3.12	5.02		

Markup Income:

Sizeable growth of 15% as compared to last year due to higher core spread, higher average volumes and lower COD

Non-Markup Income:

Substantial increase in Non markup Income mainly due to gain on securities realized keeping in view the prevailing interest rate scenario.

Non-Markup Expenses:

Non-markup expenses rose by 11%, driven by operational expansion and inflationary adjustments, reflecting cost incurred to enhance efficiency and business capacity.

Net Provision:

Substantial reversal in ECL mainly due to improved recoveries

Key Financial Merics (P&L)

(Rs. in Million)



Rs in Million					
TOTAL BANK	2022	2023	2024	2025	3YR CAGR
Mark-up/return/interest earned	40,242	59,070	65,221	52,234	9.1%
Mark-up/return/interest expensed	33,093	45,178	48,729	33,233	0.1%
Net mark-up/return/interest income	7,149	13,893	16,492	19,001	38.5%
Non Markup income	1,385	2,109	1,778	4,125	43.9%
Gross Income	8,533	16,002	18,270	23,126	39.4%
Non mark-up/interest expense	6,711	8,595	10,561	11,725	20.4%
Provisions and write offs	902	705	(426)	(881)	
Profit before taxation	920	6,702	8,135	12,282	137.2%
Taxation	465	3,220	4,520	6,466	140.5%
Profit after taxation	455	3,481	3,615	5,816	133.8%



Statement of Financial Position

(Rs. in Million)



Rs in Million

Description	2024	2025	Variance	Variance%
Cash and balances with treasury banks	23,993	25,398	1,405	6%
Balances with other banks	3,252	3,217	-35	-1%
Lendings to financial institutions	134	3,439	3,305	2466%
Investments	282,767	274,957	-7,810	-3%
Advances	146,882	126,706	-20,176	-14%
Property and Equipment	4,293	4,797	503	12%
Right of Use	2,060	1,626	-434	-21%
Intangible assets	361	379.645	19	5%
Deferred tax assets	1,194	1,033	-161	-13%
Other assets	12,628	11,748	-880	-7%
Total Assets	477,564	453,300	-24,265	-5%
Bills payable	21,951	3,212	-18,739	-85%
Borrowings	133,532	35,698	-97,834	-73%
Deposits and other accounts	277,642	378,123	100,481	36%
Lease Liabilities	2,148	1,757	-391	-18%
Other liabilities	20,392	10,832	-9,560	-47%
Total Liabilities	455,665	429,623	-26,042	-6%
Net Assets	21,899	23,677	1,777	8%
Share Capital	11,579	11,579	0	0%
Reserves	5,066	6,229	1,163	23%
Surplus on revaluation of assets - net	1,677	1,359	-318	-19%
Un-appropriated profit	3,577	4,509	932	26%
	21,899	23,677	1,777	8%

Advances:

Despite reduction in the year end numbers, there was a growth in average advances during FY 2025

Investments:

While the year end numbers show a reduction in the outstanding investments, however there was a growth in average investments during FY 2025. Moreover, the portfolio is being shifted in line with the conversion strategy.

Deposits:

36% growth overall with substantial increase in Islamic deposits in line with the Bank's conversion process.

Key Financial Metrics (Balance Sheet)

(Rs. in Million)



Rs in Million

Description	2022	2023	2024	2025	3YR CAGR
ASSETS					
Cash & balances with treasury banks	16,274	23,896	23,993	25,398	16.0%
Balances with other banks	3,557	3,960	3,252	3,217	-3.3%
Lendings to financial institutions	7,641	2,000	134	3,439	-23.4%
Investments	173,669	223,348	282,767	274,957	16.6%
Advances	127,515	101,588	146,882	126,706	-0.2%
Fixed Assets (PPE & ROU assets)	5,613	6,949	6,353	6,423	4.6%
Intangible assets	474	429	361	380	-7.1%
Deferred tax assets	1,368	1,347	1,194	1,033	-8.9%
Other assets	8,874	19,671	12,628	11,748	9.8%
Total Assets	344,984	383,186	477,564	453,300	9.5%
Bills payable	2,102	3,759	21,951	3,212	15.2%
Borrowings	66,263	50,461	133,532	35,698	-18.6%
Deposits and other accounts	248,906	289,292	277,642	378,123	15.0%
Other liabilities (Inc. of Lease liabilities)	11,285	19,374	22,540	12,589	3.7%
Total Liabilities	328,557	362,885	455,665	429,623	9.4%
NET ASSETS	16,427	20,301	21,899	23,677	13.0%
Share Capital	11,028	11,028	11,579	11,579	1.6%
Reserves	3,647	4,343	5,066	6,229	19.5%
Surplus on revaluation of assets - net	(230)	125	1,677	1,359	-
Un-appropriated profit	1,983	4,806	3,577	4,509	31.5%
	16,427	20,301	21,899	23,677	13.0%



Key Performance Indicators

(Rs. in Million)

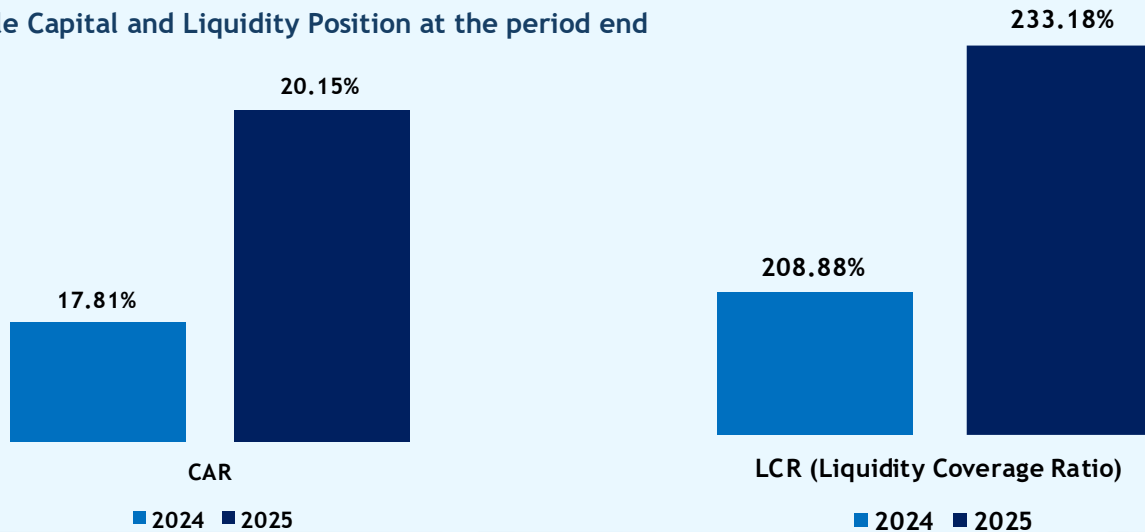


TOTAL BANK	2022	2023	2024	2025	CAGR
Deposits	248,906	289,292	277,642	378,123	15.0%
Government	141,125	164,351	148,961	216,877	15.4%
Private/ Others	107,781	124,940	128,681	161,247	14.4%
Advances (gross)	134,913	109,703	159,624	138,605	0.9%
Advances (net)	127,515	101,588	146,882	126,706	-0.2%
Non-performing advances	11,756	13,291	13,301	12,530	2.1%
Provision against advances	7,398	8,115	12,742	11,899	17.2%
Investments (net)	173,669	223,348	282,767	274,957	16.6%
Total Assets	344,984	383,186	477,564	453,300	9.5%
Share Capital	11,028	11,028	11,579	11,579	1.6%
Total Equity/ Net Assets	16,427	20,301	21,899	23,677	13.0%
Net Markup Income	7,149	13,893	16,492	19,001	38.5%
Non-Markup Income excl. CG	1,376	2,180	1,625	1,795	9.3%
Total Income excl. CG	8,525	16,072	18,117	20,796	34.6%
Operating Expenses	6,711	8,595	10,561	11,725	20.4%
Profit Before CG, Provision & Tax	1,814	7,477	7,556	9,070	71.0%
Gain on securities	8	-71	153	2,330	562.9%
(Reversal)/ Provisions	902	705	-426	-881	
Profit Before Tax	920	6,702	8,135	12,282	137.2%
Profit After Tax	455	3,481	3,615	5,816	133.8%



KPIs	2022	2023	2024	2025
Return on Average Net Assets	2.8%	18.2%	17.1%	25.5%
Return on Assets	0.1%	0.8%	0.8%	1.2%
Advances (gross) to Deposits Ratio	54.2%	37.9%	57.5%	36.7%
Capital Adequacy Ratio	14.9%	18.3%	17.8%	20.1%
Gross Infection Ratio (NPL/ Gross Advances)	8.7%	12.1%	8.3%	9.0%
Net Infection Ratio (Net NPL/ Net Advances)	3.4%	5.1%	0.4%	0.5%
Current Account to Total Deposits	23.2%	21.5%	26.0%	24.5%
Government Deposits	56.7%	56.8%	53.7%	57.4%
Private Deposits	43.3%	43.2%	46.3%	42.6%
Expense to Income Ratio	78.6%	53.7%	57.7%	50.7%

-Comfortable Capital and Liquidity Position at the period end



The major contributing segments in profitability for FY 2025 were Treasury followed by Corporate & Investment Banking Group and Retail Banking Group

Treasury

- Investment portfolio re-profiled relative to 2024 with increased allocation towards Islamic Banking portfolio in line with the conversion

Segment	Growth in Investment
IBG	40%
OBG	-22%

- Gain on securities equivalent to PKR 2,330M recognized (2024: 177M)

Corporate Investment Income vs. 2024

- A number of new-to-bank private sector clients were successfully onboarded

Retail Banking

- 36% Deposit growth vs. 2024
- 28.7% growth in Current Account vs. 2024



Awards & Recognitions-2025



Asia Pacific Ranking

Ranked among the top Asia-Pacific banks for shareholder returns in 2025 by S&P Global (9TH Oct 2025)



Highest Women Financing Bank Trophy (Peshawar Region)-

Awarded by the State Bank of Pakistan (SBP) under their "Empower Her" campaign.



VIS Credit Rating

Upgrading the medium-to-long-term rating to AA- and a stable outlook

Key Business Risks

The Bank's risk management framework ensures effective identification, measurement, monitoring, and control of risks.

Credit Risk The Bank is exposed to credit risk across lending, investments, and contingent exposures, managed through a robust framework that ensures effective risk identification, assessment, and monitoring, supported by Board-approved policies and independent oversight.

Market Risk Market risk arises from trading activities, foreign exchange positions, equity holdings, and other market-sensitive exposures, and is managed through integrated strategies and a structured framework ensuring compliance with approved risk limits.

Operational Risk Operational risk refers to potential losses from inadequate processes, people, systems, or external events (including legal risk, excluding strategic and reputational risk), and is managed through a structured ERM framework with regularly updated and tested internal controls aligned with the Bank's risk profile.

Liquidity Risk Liquidity risk is the risk of not meeting payment obligations or funding withdrawals, managed through regular stress testing of liquid assets under market stress scenarios, with results reviewed by ALCO for timely corrective actions.

Environmental & Climate Risk Environmental risk relates to potential environmental and climate-related impacts from the Bank's operations and clients, which may affect asset quality, operations, and regulatory compliance. The Bank's Green Banking framework aims to reduce portfolio vulnerability and promote sustainable financing, with risk practices continuously enhanced in line with regulatory and global best standards.



Thank You

