

We are **Saving** Humanity From **Riba**

**BankIslami**

■ Serving You the Right Way



**Corporate Briefing June 2022**



**SINCE**

**2004**

**October 2004** Incorporated as Public Limited Company to carry out business of an Islamic Commercial Bank

**March 2005** Granted 'Scheduled Islamic Commercial Bank' license by Central Bank

**April 2006** Commencement of Operations as an Islamic Bank listed on Stock Exchange

### PRODUCTS & SERVICES

The Bank offers a full range of financial services in corporate, commercial, consumer, retail banking and investment banking activities.

### CREDIT RATING

The Pakistan **Credit Rating** Agency Limited (PACRA) has assigned **BankIslami's** long-term entity **rating** at A+ and short term **rating** at A1 with a **Positive Outlook**. The **ratings** reflect **BankIslami's** sustained risk profile.

### BRANCH NETWORK

The Bank now operates 346 branches including 80 sub branches in 120 plus cities of Pakistan

### LISTING INFORMATION

Listed on Pakistan Stock Exchange on April 17, 2006 as BIPL ticker post IPO.

### OUR VISION

The Vision of BankIslami is to be recognized as the leading Authentic Islamic Bank.

### OUR CORE VALUES

- Product authenticity
- Customer focus
- Meritocracy
- Integrity
- Team work
- Humility
- Innovation

### OUR MISSION

To create value for our stakeholders by offering Authentic, Shariah Compliant and Technologically advanced products and services. We differentiate ourselves through:

- Authenticity
- Understanding our client's needs
- Fast, efficient and seamless delivery of solutions.
- Innovation
- Commitment to excellence, and

As a growing institution, the foundation for our performance lies on our human capital and BankIslami remains committed to becoming an employer of choice, attracting, nurturing and developing talent in a transparent and performance driven culture.

## MAJOR SPONSORS & SHAREHOLDERS



### Mr. Ali Hussain & SAJ Capital Management Limited (24.37%)

Mr. Hussain is the founder and Managing Director of SAJ Capital Management Limited, BVI, a family office based in Singapore having strategic investments in Pakistan, Europe & North America. He has overall 38 years of professional experience and specialized in incubating, acquiring and managing technology companies and converting them into growth champions in Singapore, USA, Germany, UK and Canada.



### Jahangir Siddiqui & Company Limited (21.26%)

JSCL which was established in 1991, is the holding company of JS Group which is one of the largest and most diversified financial services Groups in Pakistan. The Group interests are spread over various sectors including asset management, commercial banking, insurance, stock brokerage, consumer credit rating, media and transport. JSCL also owns controlling shares in a Conventional Bank, JS Bank Limited.



### Randeree Family of DCD Group (14.25%)

The Group, established in 1975 is a Family Investment Office with over 30 years of experience in Real Estate and Banking. The Group has its investments primarily in UK, USA, South Africa, India and Pakistan. They are one of the pioneer sponsors of AlBaraka Islamic Bank, South Africa, Islamic Bank of Britain, European Islamic Investment Bank and the Islamic Bank of Asia.



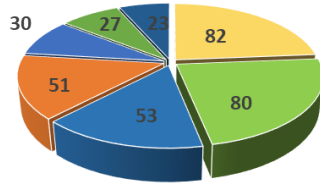
### Emirates NBD (13.01%)

Emirates NBD Bank PJSC is Dubai's government-owned bank and its one of the largest banking groups in the Middle East in terms of assets. On March 7, 2022, the Board of JS Bank has approved to acquire 7.79% shareholding of the Bank from Emirates NBD which is subject to various necessary approvals.

## REGULATORS, MEMBERSHIP & LICENSES

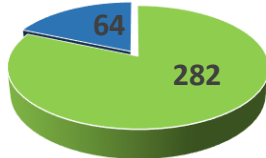


Distribution

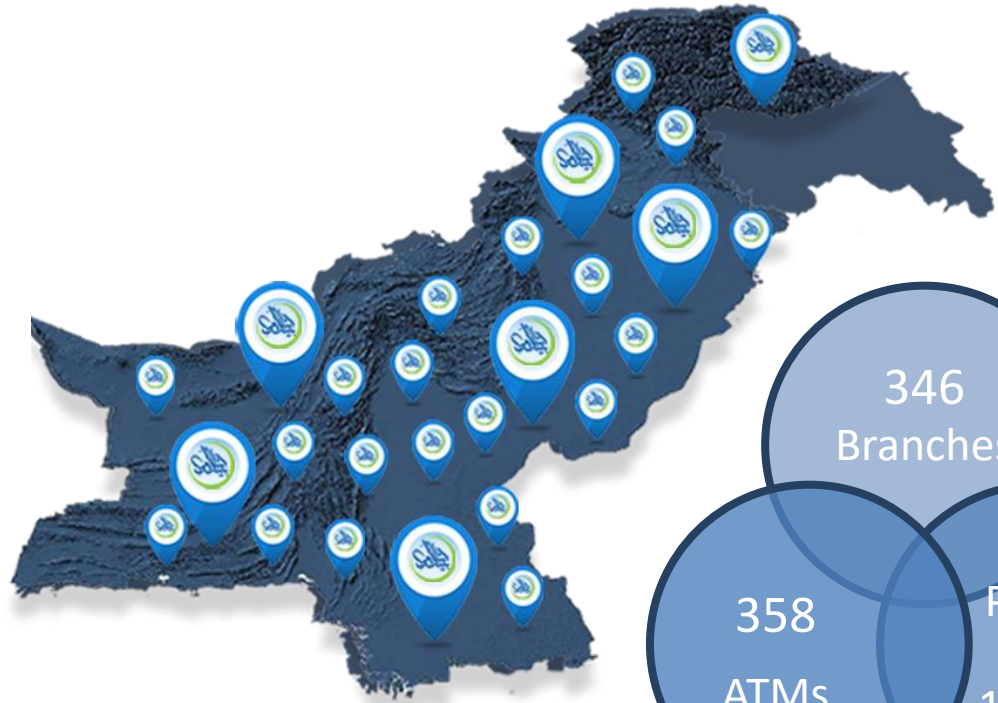


- North
- Central
- South East
- South West
- South Punjab
- Interior Sindh
- Balochistan

Presence



- Urban
- Rural



346  
Branches

358  
ATMs

Presence  
in over  
120 Cities

*Nationwide Presence with focus to reach Unbanked Areas to encourage financial inclusion*

## AGRI FINANCING

BankIslami provides solution where farmers can purchase tractors & equipment for their farm, based on Diminishing Musharakah under Shirkat-ul-Milk arrangement.

## SME FINANCING

Small and Medium-sized Enterprises (SMEs) drive economic growth by stimulating innovation, acting as a competitive spur to existing businesses to increase their productivity and making a disproportionately large contribution to job creation. BankIslami is dedicated in supporting SME business with all the products and services available through its branch banking network. The products and services are offered to SME clients strictly under Shariah modes.

## CONSUMER FINANCE

BankIslami offers a range of home financing, auto financing, takaful and remittance products to its customers.



## PERSONAL BANKING

BankIslami offers a wide variety of accounts fulfilling all the financial needs of its diverse customer base.

## INVESTMENT BANKING

Investment Banking is a high Economic Value-Added franchise of the Bank, specialized in tailoring and structuring varied complex deals in an innovative and Shariah Compliant manner to meet the on-going critical needs of large corporate clientele. Such deals may range from short-term to long-term syndicated deals, raising of redeemable capital through Islamic debt instruments i.e. Islamic Commercial Paper (ICP) and Sukuk, offering of securities to raise equity or typical project & structured financing.

## CORPORATE BANKING

BankIslami offers a world class Shariah compliant financing solutions to its corporate customers. Various products and services are offered to help its clients' business objectives



## SPECIALIZED PRODUCTS



Islamic Housing Finance



Islamic Auto Loans



One Touch Banking



Takaful



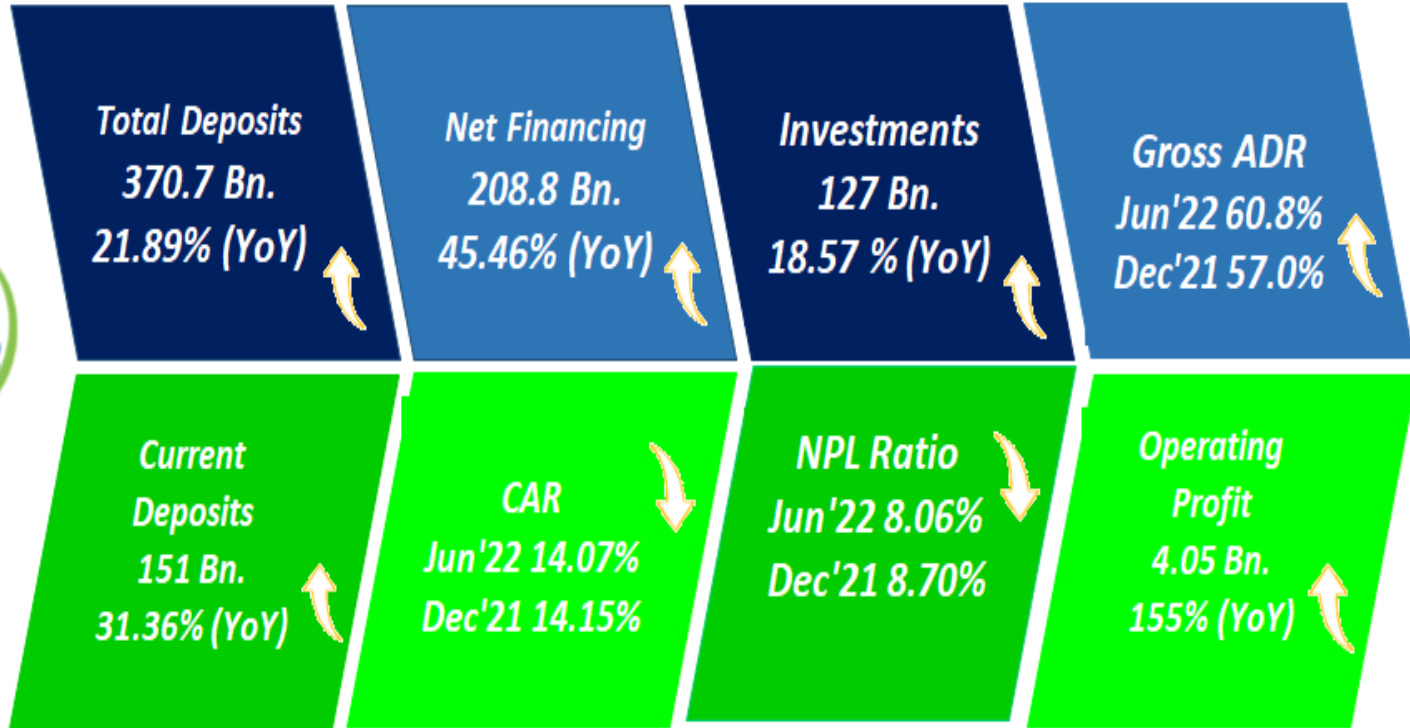
Home Remittance



Shariah Compliant Investment Solutions



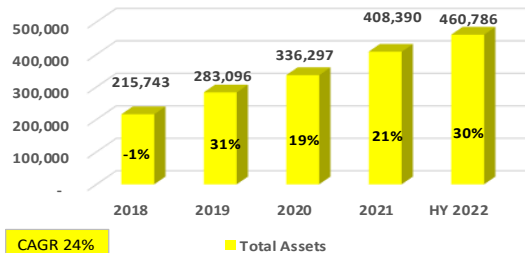
Digital Delivery Channel



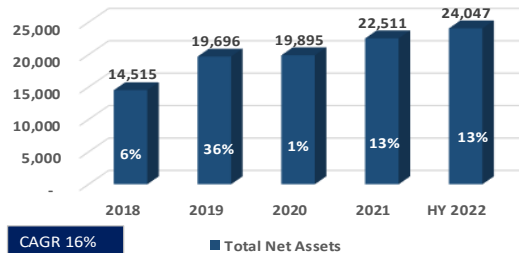


# BANKISLAMI PAKISTAN LIMITED – KEY FINANCIAL HIGHLIGHTS

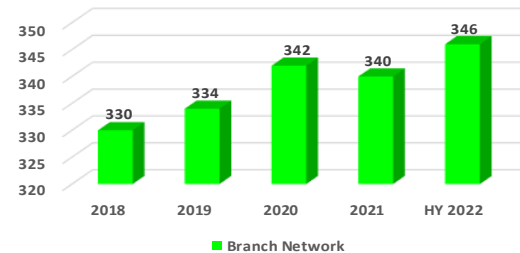
## Total Assets



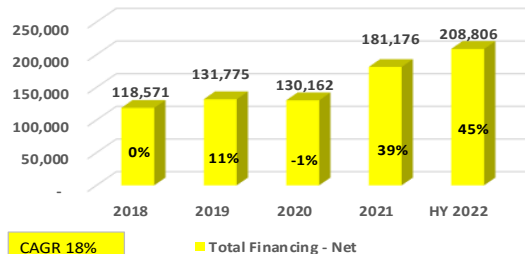
## Total Net Assets



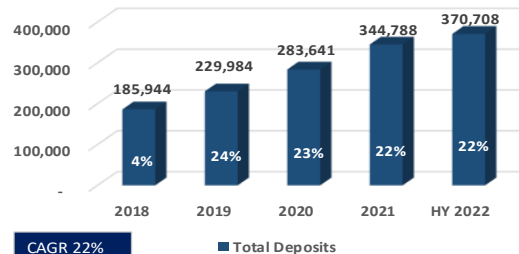
## Branch Network



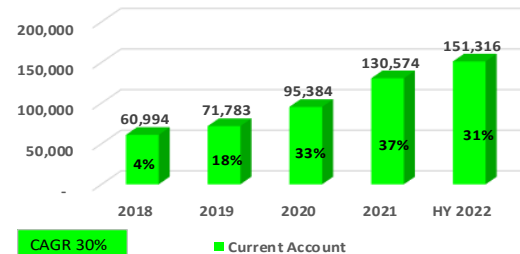
## Total Financing - Net



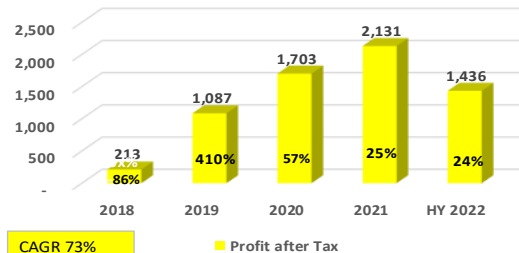
## Total Deposits



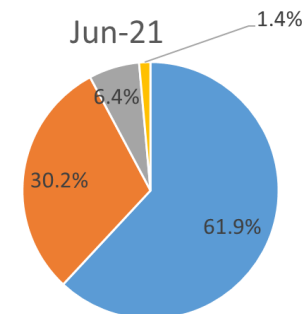
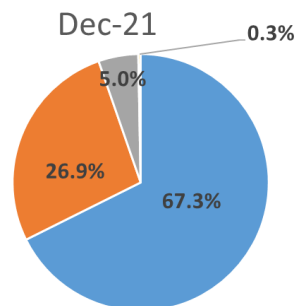
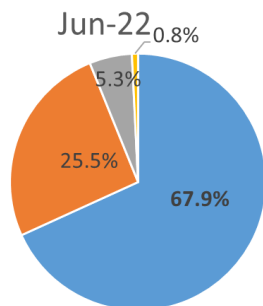
## Current Account



## Profit after Tax



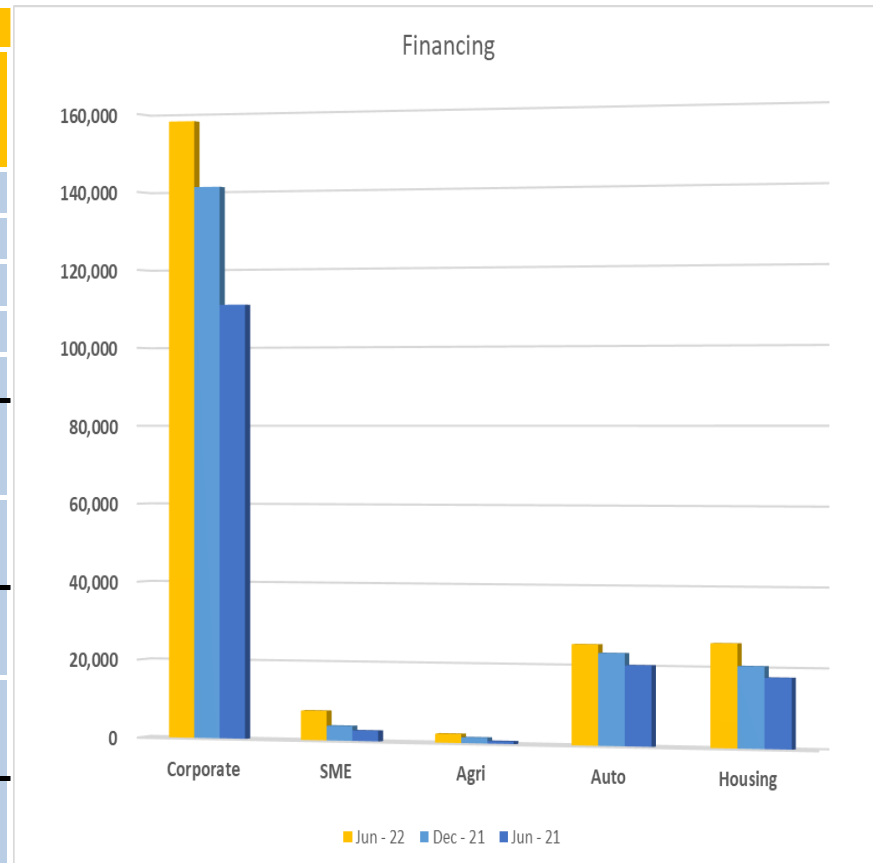
INVESTMENTS - Net	Rs. in Millions				
	Jun - 22	Dec - 21	Jun - 21	Growth	
				Jun - 22 vs Dec 21	Jun - 22 vs Jun - 21
Federal Government Securities	86,221	83,637	66,360	3%	30%
Non Government Securities	6,787	6,221	6,846	9%	-1%
Pakistan Energy Sukuk	32,401	33,414	32,390	-3%	0%
Shares / Sukuks / Associates	1,614	988	1,532	63%	5%
<b>Total</b>	<b>127,023</b>	<b>124,260</b>	<b>107,128</b>	<b>2%</b>	<b>19%</b>



97% of Investment portfolio comprises of Govt. backed securities

Rs. in Millions

FINANCINGS - Net				Growth	
	Jun - 22	Dec - 21	Jun - 21	Jun - 22 vs Dec - 21	Jun - 22 vs Jun - 21
Corporate	158,039	141,147	110,948	12%	42%
SME	7,536	3,812	2,726	98%	176%
Agri	2,327	1,513	709	54%	228%
Auto	25,347	23,243	20,280	9%	25%
Housing	26,044	20,477	17,702	27%	47%
<b>Islamic Portfolio – Gross</b>	<b>219,293</b>	<b>190,192</b>	<b>152,365</b>	<b>15%</b>	<b>44%</b>
Provisioning – Islamic	(10,665)	(9,199)	(9,010)	16%	18%
<b>Islamic Portfolio-Net</b>	<b>208,628</b>	<b>180,993</b>	<b>143,355</b>	<b>15%</b>	<b>46%</b>
Conventional portfolio – Net	176	184	192	-4%	-8%
<b>Total Portfolio – Net</b>	<b>208,804</b>	<b>181,177</b>	<b>143,547</b>	<b>15%</b>	<b>45%</b>





*BankIslami is the market leader in HOUSING FINANCE in Pakistan*



BankIslami

**1<sup>st</sup>** Bank to Achieve the Target  
of **Mera Pakistan Mera Ghar**





1.2 Billion

1.3 Billion

1.1 Billion


1.1 Billion

24/7 Phone Banking  
(021) 111-ISLAMI (111-475264)



BankIslami

The **1<sup>st</sup>** Bank to Achieve State Bank's  
Housing & Construction  
**TARGET**



24/7 Phone Banking  
(021) 111-ISLAMI (111-475264)

## SBP Support Schemes – Mera Pakistan Mera Ghar

Rs. In Millions

Government Scheme	Disbursements / Outstanding	
	Number	Amount
Mera Pakistan Mera Ghar	1,565	8,402

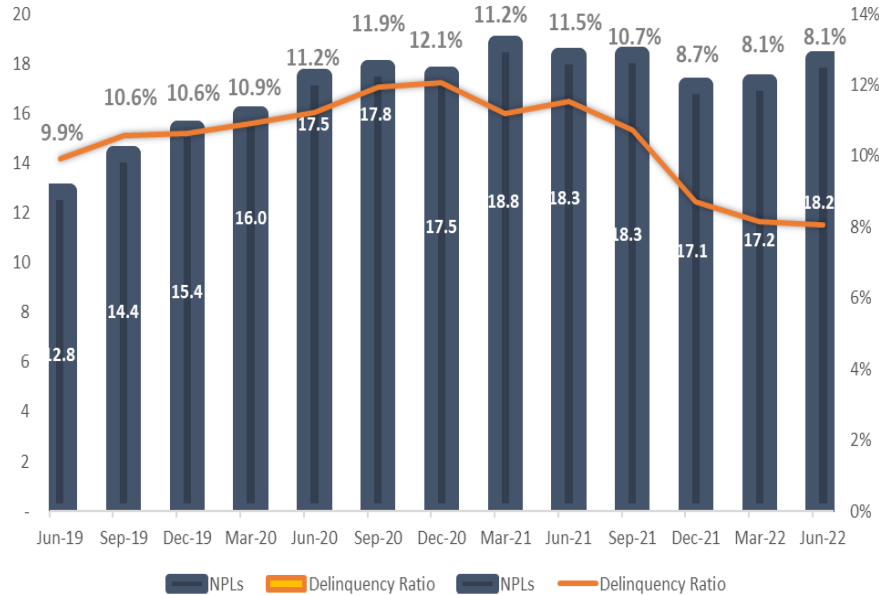
## SBP Support Schemes – Kamyab Jawan

Rs. In Millions

Government Scheme	Cases Disbursed	
	# of Applications	Amount
Kamyab Jawan	1,241	2,357

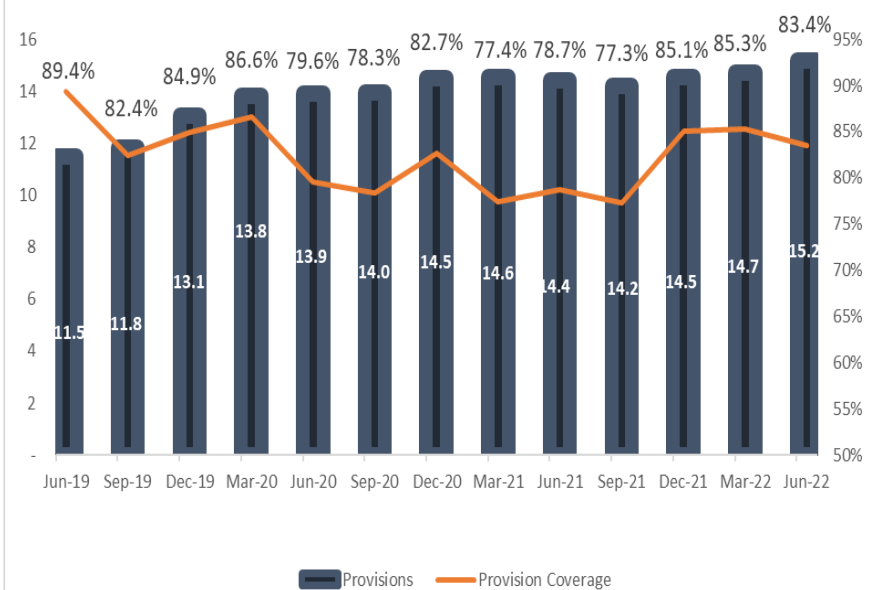
## NPL Trend - Total Portfolio

Rupees in Billion



## Provision Coverage - Total

Rupees in Billion



Infection ratio without defunct KASB Bank portfolio is 5.5% (Dec 2021; 5.8%)

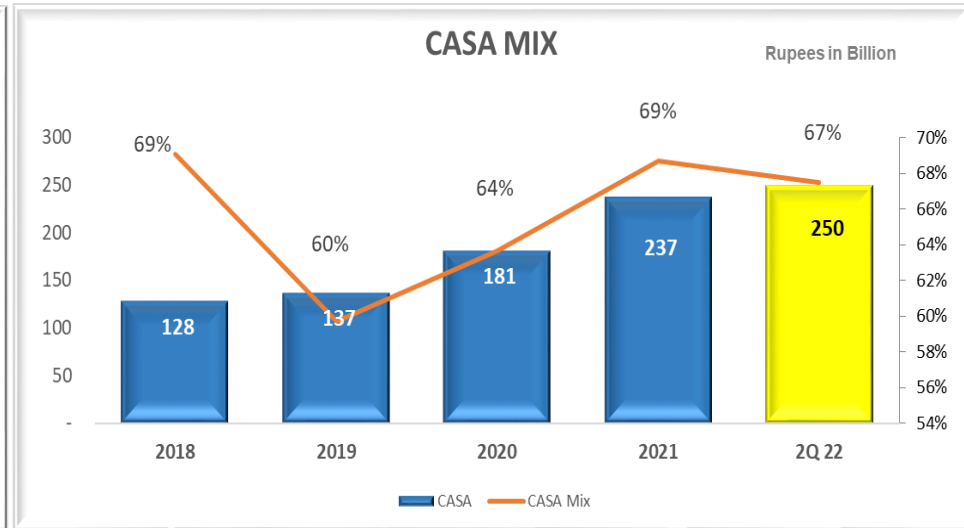
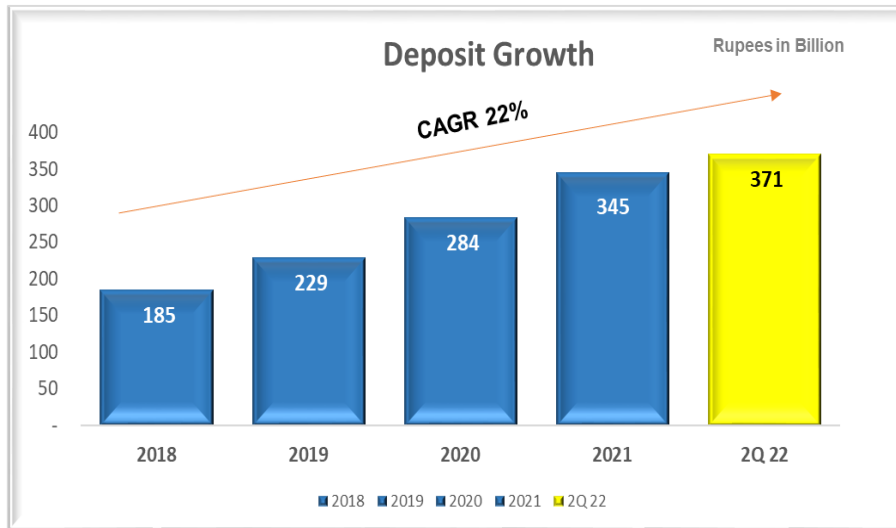
Coverage ratio (excl. general provision) of total portfolio is 83.4% (Industry Average 85.7%; IB Industry 81.4%).

Coverage ratio (incl. general provision) of total portfolio is 91.67%.



Rs. In Billions

Deposits	June - 22		Dec - 21		June - 21		Growth % Jun 22 vs Dec 21	Growth % Jun 22 vs June 21
	Amount	% Composition	Amount	% Composition	Amount	% Composition		
Current Deposit	151	41%	134	39%	115	34%	12.57%	31.36%
Saving Deposit	99	27%	102	30%	97	28%	-3.36%	2.09%
Term Deposit	121	33%	108	31%	95	33%	11.72%	26.93%
<b>Total Deposit</b>	<b>371</b>	<b>100%</b>	<b>345</b>	<b>100%</b>	<b>307</b>	<b>100%</b>	<b>7.58%</b>	<b>20.76%</b>
<b>CASA</b>	<b>250</b>	<b>67%</b>	<b>237</b>	<b>69%</b>	<b>212</b>	<b>69%</b>	<b>5.69%</b>	<b>17.99%</b>



Deposit grew with a CAGR of 22% in 3 years versus a CAGR of 20.1% of IB industry. However, CASA Mix fell to 67% from 70% during Q2 2022 due to increase in inflow in term deposits on account of customer demand with increase in profit rates.

	Jun - 22	Jun - 21	Growth
Average 6-M Kibor	12.97%	7.21%	
-----Rs in Millions-----			
Description	Jun - 22	Jun - 21	Jun - 22 vs Jun - 21
Profit Earned	18,371	10,957	68%
Profit Expensed	10,452	5,890	77%
<b>Net spread earned</b>	<b>7,918</b>	<b>5,067</b>	<b>56%</b>
<b>Other Income</b>			
Fee and commission income	729	611	19%
Dividend income	13	9	39%
Foreign exchange income	591	170	249%
Gain on sale of securities	19	219	-91%
Other income	358	45	700%
<b>Non Funded Income</b>	<b>1,710</b>	<b>1,053</b>	<b>62%</b>
<b>Total Income</b>	<b>9,628</b>	<b>6,120</b>	<b>57%</b>
Total administrative expenses	5,575	4,527	23%
<b>Operating Profit Before Tax &amp; Provision</b>	<b>4,053</b>	<b>1,592</b>	<b>155%</b>
Provisions	1,356	(287)	-572%
Taxation	1,261	718	76%
<b>Profit After Tax</b>	<b>1,436</b>	<b>1,161</b>	<b>24%</b>



Owing to Bank's focused and aggressive strategy towards acquisition of low cost deposits, Current Account (CA) deposits depicted a healthy YoY rise of 31.4% with CA mix in total deposits improving from 38% in Jun'21 to 41% in Jun'22.



Due to uncertain economic and political situation in the country the Automobile industry has seen decline in its sales during the ongoing year. The significant increase in policy rates has further reduced the number of consumers who are willing to avail auto finance. Despite this, BankIslami (Bank) was able to achieve disbursement of Rs. 5.66 Billion in Auto Finance.



Despite challenges on economic and political front, Bank's housing finance portfolio has seen significant growth, with disbursement of Rs. 7.0 Billion plus during the first half of the year 2022.



In disbursing home financing as part of Government's 'Mera Pakistan Mera Ghar (MPMG)', the Bank has surpassed assigned target and disbursed Rs. 8.47 Billion for the period January 2021 till June 2022 against the target for the same period of Rs. 1.08 Billion.



The Bank continued its strategy of portfolio rationalization and diversification. 27 new Corporate customers spanning across Pharmaceuticals, Automobile, IT, Ceramics, Telecom, Edible Oil, Cables, Cements, Chemicals, Packaging and Textile industries. Moreover the Bank has grown its Financing portfolio (excluding consumer) to Rs. 167.8 Billion from Rs. 146.4 Billion as at December 2021.



The Bank remained focus to grow its Trade Business volumes during the period. The total Trade Business has closed at Rs. 177 Billion versus Rs. 108 Billion achieved during half year 2021.



The Bank as joint lead advisor and arranger successfully closed ICP issue amounting to Rs. 5,000 Million and Rs. 500 Million Diminishing Musharakah. Moreover, the Bank closed Rs. 1.2 Billion Syndicate Facility of Masood Spinning Mills Ltd as lead arranger and Rs. 1,250 Million Syndicate Facility of Orient Material (Private) Ltd.

- The recent floods have caused extreme destruction and disruption across the nation. In line with BankIslami's core values, BankIslami has remained at the forefront in doing its utmost efforts for our affected brothers and sisters.
- BankIslami has collaborated with Armed Forces to ensure that relief goods are distributed in far-flung areas where access is restricted for civic agencies. So far, 10 trucks of relief goods (including ration, medicines etc.) of approx. **Rs. 6.3 mn** have been provided to Armed forces by BankIslami for onwards distribution.



- BankIslami has actively utilized its Charity Fund for flood relief activities. Till date, approx. **Rs. 7.5 mn** has been disbursed comprising of donations to charitable institutions as well as ration distribution through armed forces for flood relief.
- Further, on a voluntary basis, BankIslami has deputed its staff at relief center located at PAF Museum, Karachi.







## Growth in Current Account

Growth in Current Accounts to improve spreads



## Regulatory Compliance

Ensure Continued Regulatory Compliance



## Financing Portfolio

Grow Financing portfolio in Consumer and Commercial segment to enhance asset yields



## Branch Network

Expansion of Branch Network (40 new branches)



## Deposit Base

Grow overall Deposit base to further improve deposit per branch ratio



## Digital Delivery Channels

To increase Digital footprint through our revamped Digital Delivery Channel



## Trade Business

Grow Trade Business volumes to improve allied non-funded income



## Capital Growth

Issuance of ADT-1 (Ehad Sukuk 2) of Rs. 1 billion is in progress





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**bankislami-pakistan-limited**

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